

S271869

IN THE SUPREME COURT OF CALIFORNIA

CHEVRON U.S.A., INC., et al.

Plaintiffs and Respondents,

vs.

COUNTY OF MONTEREY, et al.

Defendants;

PROTECT MONTEREY COUNTY and DR. LAURA SOLORIO

Intervenors and Appellants.

After a Decision by the Court of Appeal
Sixth Appellate District, Case No. H045791

Appeal from a Judgment Entered in Favor of Plaintiffs
Monterey County Superior Court
Case No. 16-CV-3978 and consolidated cases
Honorable Thomas W. Wills, Judge

INTERVENORS' MOTION REQUESTING JUDICIAL NOTICE

Volume 6, Pages 378 - 471

Catherine Engberg (SBN 220376)
*Kevin P. Bundy (SBN 231686)
Aaron M. Stanton (SBN 312530)
Shute, Mihaly & Weinberger LLP
396 Hayes Street
San Francisco, California 94102
Telephone: (415) 552-7272
Facsimile: (415) 552-5816
Engberg@smwlaw.com
Bundy@smwlaw.com
Stanton@smwlaw.com

*Deborah A. Sivas (SBN 135446)
Environmental Law Clinic
Mills Legal Clinic at Stanford
Law School
559 Nathan Abbott Way
Stanford, California 94305-8610
Telephone: (650) 723-0325
Facsimile: (650) 723-4426
Dsivas@stanford.edu

(Additional attorneys listed on next page)

*Hollin Kretzmann (SBN 290054)
Center for Biological Diversity
1212 Broadway, Suite 800
Oakland, California 94612
Telephone: (510) 844-7100
Facsimile: (510) 844-7150
Hkretzmann@biologicaldiversity.org

*Michael Geibelson (SBN 179970)
Robins Kaplan LLP
2049 Century Park East, #3400
Los Angeles, California 90067
Telephone: (310) 552-0130
Facsimile: (310) 229-5800
MGeibelson@RobinsKaplan.com

Attorneys for Intervenors and Appellants
PROTECT MONTEREY COUNTY and DR. LAURA SOLORIO

INTERVENORS' CHRONOLOGICAL INDEX

<u>Date</u>	<u>Title of Document</u>	<u>Volume</u>	<u>First Page</u>
1961	Exhibit A Legislative History of Senate Bill 703, Chapter 2074 (1961)	2	14
1970	Exhibit B Legislative History of Senate Bill 161, Chapter 799 (1970)	3	148
1970	Exhibit B, Continued Legislative History of Senate Bill 161, Chapter 799 (1970)	4	232
1972	Exhibit C Legislative History of Senate Bill 1022, Chapter 898 (1972)	5	330
1972	Exhibit C, Continued Legislative History of Senate Bill 1022, Chapter 898 (1972)	6	378
Sept. 10, 2018	Exhibit D Governor's Executive Order No. B-55-18	7	472
Sept. 23, 2020	Exhibit E Governor's Executive Order No. N-79-20	7	479
Mar. 28, 2022	Motion Requesting Judicial Notice	1	1

INTERVENORS' ALPHABETICAL INDEX

<u>Title of Document</u>	<u>Date</u>	<u>Volume</u>	<u>First Page</u>
Exhibit A Legislative History of Senate Bill 703, Chapter 2074 (1961)	1961	2	14
Exhibit B Legislative History of Senate Bill 161, Chapter 799 (1970)	1970	3	148
Exhibit B, Continued Legislative History of Senate Bill 161, Chapter 799 (1970)	1970	4	232
Exhibit C Legislative History of Senate Bill 1022, Chapter 898 (1972)	1972	5	330
Exhibit C, Continued Legislative History of Senate Bill 1022, Chapter 898 (1972)	1972	6	378
Exhibit D Governor's Executive Order No. B-55-18	Sept. 10, 2018	7	472
Exhibit E Governor's Executive Order No. N-79-20	Sept. 23, 2020	7	479
Motion Requesting Judicial Notice	Mar. 28, 2022	1	1

EXHIBIT C
CONTINUED

AMENDED IN ASSEMBLY JULY 26, 1972

AMENDED IN SENATE MAY 23, 1972

AMENDED IN SENATE MAY 2, 1972

SENATE BILL

No. 1022

Introduced by Senator Deukmejian

March 15, 1972

An act to amend Sections 3008, 3012, 3013, 3101, 3103, 3104, 3106, 3203, 3204, 3205, 3207, 3208, 3215, 3218, 3226, 3227, 3237, and 3356 of, and to add Section 3205.5 to, the Public Resources Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

SB 1022, as amended, Deukmejian. Oil and gas.

Redefines the term "well" for purposes of provisions pertaining to oil and gas.

Requires the chief deputy and district deputies of the Division of Oil and Gas of the Department of Conservation to be a state registered engineer or geologist.

Revises provisions pertaining to the filing of bonds by persons who engage in the drilling, redrilling, or deepening of, or in any operation involving plugging or permanently altering the casing of, any well, including authorizing the filing of a cash bond secured by bank deposits of cash, investment certificates, or share accounts, or by bonds issued by the United States or the state in specified principal amounts.

Prohibits commencement of drilling until the notice of intention to commence drilling is approved by the supervisor or the district deputy and provides for automatic approval or cancellation of such notice of intention under prescribed conditions and revises content of such notice.

Revises provisions pertaining to the abandonment of wells.



Requires the oil or gas well owner's monthly statement show what disposition was made of the water produced from each well, including designations of injection or disposal well.

Provides that removal of production equipment or facilities is prima facie evidence of desertion of a well after the elapse of 2 years *after April 1, 1973*.

Vote—Majority; Appropriation—No;
Fiscal Committee—Yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3008 of the Public Resources
2 Code is amended to read:

3 3008. "Well" means any oil or gas well or well for the
4 discovery of oil or gas, or any well on lands producing
5 reasonably presumed to contain oil or gas or any well
6 drilled for the purpose of injecting fluids or gas for
7 stimulating oil or gas recovery, repressuring or pressure
8 maintenance of oil or gas reservoirs, or disposing
9 oilfield waste fluids or any well drilled within or adjacent
10 to an oil or gas pool for the purpose of obtaining water
11 to be used in production stimulation or repressuring
12 operations.

13 SEC. 2. Section 3012 of the Public Resources Code
14 amended to read:

15 3012. The provisions of this division apply to any land
16 or well situated within the boundaries of an incorporated
17 city in which the drilling of oil wells is now or may
18 hereafter be prohibited, until all wells therein have been
19 abandoned as provided in this chapter.

20 SEC. 3. Section 3013 of the Public Resources Code
21 amended to read:

22 3013. This division shall be liberally construed to meet
23 its purposes, and the director and the supervisor shall
24 have all powers which may be necessary to carry out the
25 purposes of this ~~chapter~~ *division*.

26 SEC. 4. Section 3101 of the Public Resources Code
27 amended to read:

28 3101. The supervisor shall appoint one chief deputy
29 and at least one district deputy for each of the districts.



1 provided for in this chapter, and shall prescribe their
2 duties.

3 SEC. 5. Section 3103 of the Public Resources Code is
4 amended to read:

5 3103. The chief deputy shall be a competent engineer
6 or geologist, registered in the state, and experienced in
7 the development and production of oil and gas.

8 SEC. 6. Section 3104 of the Public Resources Code is
9 amended to read:

10 3104. Each district deputy shall be a competent
11 engineer or geologist, registered in the state, and
12 experienced in the development and production of oil
13 and gas. At the time any district deputy is appointed,
14 notice of his appointment shall be transmitted in writing
15 to the board of commissioners of the district for which the
16 deputy is appointed.

17 SEC. 7. Section 3106 of the Public Resources Code is
18 amended to read:

19 3106. The supervisor shall so supervise the drilling,
20 operation, maintenance, and abandonment of wells as to
21 prevent, as far as possible, damage to life, health,
22 property, and natural resources; damage to underground
23 oil and gas deposits from infiltrating water and other
24 causes; loss of oil, gas, or reservoir energy, and damage to
25 underground and surface waters suitable for irrigation or
26 domestic purposes by the infiltration of, or the addition
27 of, detrimental substances, by reason of the drilling,
28 operation, maintenance, or abandonment of wells.

29 The supervisor shall also supervise the drilling,
30 operation, maintenance, and abandonment of wells so as
31 to permit the owners or operators of such wells to utilize
32 all methods and practices known to the oil industry for
33 the purpose of increasing the ultimate recovery of
34 underground hydrocarbons and which, in the opinion of
35 the supervisor, are suitable for such purpose in each
36 proposed case. In order to further the elimination of
37 waste by increasing the recovery of underground
38 hydrocarbons it is hereby declared as a policy of this state
39 that the grant in an oil and gas lease or contract to a lessee
40 or operator of the right or power, in substance, to explore



1 for and remove all hydrocarbons from any lands in
2 State of California, in the absence of an express provis
3 to the contrary contained in such lease or contract
4 deemed to allow the lessee or contractor or his success
5 or assigns, to do what a prudent operator us
6 reasonable diligence would do, having in mind the b
7 interests of the lessor, lessee and the state, in produc
8 and removing hydrocarbons, including but not limited
9 the injection of air, gas, water or other fluids into
10 productive strata, the application of pressure heat
11 other means for the reduction of viscosity of
12 hydrocarbons, the supplying of additional motive force
13 creating of enlarged or new channels for
14 underground movement of hydrocarbons in
15 production wells, when such methods or proces
16 employed have been approved by the supervis
17 provided, however, nothing contained in this sect
18 imposes a legal duty upon such lessee or contractor,
19 successors or assigns, to conduct such operations.

20 In order to best meet oil and gas needs in Californ
21 the supervisor shall administer this division so as
22 encourage the wise development of the oil and
23 resources.

24 SEC. 13. Section 3203 of the Public Resources Code
25 amended to read:

26 3203. The owner or operator of any well shall, befo
27 commencing the work of drilling the well, file with t
28 supervisor or the district deputy a written notice
29 intention to commence drilling. Drilling shall
30 commence until approval is given by the supervisor
31 the district deputy; if the supervisor or the district dep
32 fails to give the owner or operator written response to t
33 notice within 10 working days, such failure shall
34 considered as an approval of the notice and the not
35 shall, for the purposes and intents of this chapter,
36 deemed a written report of the supervisor. If operatio
37 have not commenced within one year of receipt of t
38 notice, the notice will be considered canceled. The not
39 shall contain the following:

40 (a) The location and elevation above sea level of t



1 floor of the proposed derrick and drill rig.

2 (b) The number or other designation by which the
3 well shall be known. Such number or designation shall be
4 subject to the approval of the supervisor.

5 (c) The owner's or operator's estimate of the depths
6 between which production will be attempted.

7 (d) Such other pertinent data as the supervisor may
8 require on the printed forms to be supplied by the
9 Division of Oil and Gas, or on forms acceptable to the
10 supervisor.

11 After the completion of any well the provisions of this
12 section shall also apply, as far as may be, to the deepening
13 or redrilling of the well, or any operation involving the
14 plugging of the well, or any operations permanently
15 altering in any manner the casing of the well. The
16 number or designation by which any well heretofore
17 drilled has been known, and the number or designation
18 specified for any well in a notice filed as required by this
19 section, shall not be changed without first obtaining a
20 written consent of the supervisor.

21 SEC. 14. Section 3204 of the Public Resources Code is
22 amended to read:

23 3204. Every person who engages in the drilling,
24 redrilling, or deepening, or in any operation involving
25 plugging or permanently altering in any manner the
26 casing of any well shall file with the supervisor an
27 indemnity bond in the sum of five thousand dollars
28 (\$5,000) for each well so drilled, redrilled, deepened,
29 plugged or permanently altered. The bond shall be filed
30 with the supervisor at the time of the filing of the notice
31 of intention to perform work on the well, provided for in
32 Section 3203. The bond shall be executed by such person,
33 as principal, and by an authorized surety company, as
34 surety, conditioned that the principal named in the bond
35 shall faithfully comply with all the provisions of this
36 chapter, in drilling, redrilling, or deepening any well or
37 wells covered by the bond, and shall secure the state
38 against all losses, charges, and expenses incurred by it to
39 obtain such compliance by the principal named in the
40 bond.



1 The condition of the bond shall be stated in
2 substantially the following language:

3 “If said _____, the above bounden principal, shall
4 well and truly comply with all the provisions of Division
5 3 of the Public Resources Code and shall obey all lawful
6 orders of the State Oil and Gas Supervisor or his district
7 deputy or deputies, subject to subsequent appeal as
8 provided in this division, and shall pay all charges, costs,
9 and expenses incurred by the supervisor or his district
10 deputy or deputies in respect of such well or wells or the
11 property or properties of said principal, or assessed
12 against such well or wells or the property or properties of
13 such principal, in pursuance of the provisions of said
14 ~~chapter~~ *division*, then this obligation shall be void;
15 otherwise, it shall remain in full force and effect.”

16 SEC. 15. Section 3205 of the Public Resources Code is
17 amended to read:

18 3205. Any person who engages in the drilling,
19 redrilling, deepening, or in any operation involving
20 plugging or permanently altering in any manner the
21 casing of one or more wells at any time, may file with the
22 supervisor one bond for twenty-five thousand dollars
23 (\$25,000) to cover all his operations in drilling, redrilling,
24 deepening, plugging, or permanently altering any of his
25 wells in the state in lieu of a five-thousand-dollar (\$5,000)
26 bond for each well drilled, redrilled, deepened, plugged,
27 or permanently altered. The bond shall be executed by
28 such person, as principal, and by an authorized surety
29 company, as surety, and shall be in substantially the same
30 language and upon the same conditions as provided in
31 Section 3204, except as to the difference in the amount.

32 SEC. 16. Section 3205.5 is added to the Public
33 Resources Code, to read:

34 3205.5. In lieu of the bond required by Sections 3204
35 and 3205, a person may with the written approval of the
36 supervisor file a cash bond in the applicable amount,
37 evidence of deposit in banks authorized to do business in
38 this state and insured by the Federal Deposit Insurance
39 Corporation, investment certificates or share accounts in
40 the applicable amount issued by a savings and loan



1 association doing business in this state and insured by the
2 Federal Savings and Loan Insurance Corporation, or
3 bonds issued by the United States or the State of
4 California in the principal amounts of six thousand dollars
5 (\$6,000) or thirty thousand dollars (\$30,000), whichever
6 is applicable, with the State Treasurer, such bond or
7 security filed in lieu thereof shall be subject to all
8 conditions set forth in Sections 3204, 3205, 3206, 3207, and
9 3208.

10 SEC. 17. Section 3207 of the Public Resources Code is
11 amended to read:

12 3207. Any twenty-five-thousand-dollar (\$25,000)
13 bond issued in compliance with this chapter may, with
14 the consent of the supervisor, be terminated and
15 canceled and the surety be relieved of all obligations
16 thereunder when all wells covered by such bond have
17 been properly completed or abandoned. Should the
18 person who has filed a twenty-five-thousand-dollar
19 (\$25,000) bond properly complete or abandon a portion
20 of his wells covered by the bond, the bond may, with the
21 consent of the supervisor, be terminated and canceled
22 and the surety be relieved of all obligations thereunder
23 upon the filing by such person of a five-thousand-dollar
24 (\$5,000) bond for each well which he is still engaged in
25 drilling, re-drilling, deepening, plugging, or permanently
26 altering. Liability as to individual wells that have been
27 drilled and abandoned or completed under a
28 twenty-five-thousand-dollar (\$25,000) bond may also be
29 terminated with the consent of the supervisor.

30 SEC. 18. Section 3208 of the Public Resources Code is
31 amended to read:

32 3208. A well is properly completed, for the purposes
33 of Sections 3206 and 3207, when it has been completed to
34 production of oil or gas, and the person engaged in
35 drilling, re-drilling, deepening, plugging, or permanently
36 altering it has shown to the satisfaction of the supervisor
37 that both the manner of drilling, re-drilling, deepening,
38 plugging, or permanently altering the well and the
39 manner of producing oil or gas therefrom are satisfactory.
40 A well is properly abandoned when drilling, re-drilling,



1 deepening, plugging, or permanently altering has ceased
2 before completion to production of oil or gas, and the
3 person drilling, re-drilling, deepening, plugging, or
4 permanently altering it has shown to the satisfaction of
5 the supervisor that all proper steps have been taken to
6 shut off and exclude all water from oil-bearing or
7 gas-bearing strata encountered in the well, and to protect
8 underground or surface water suitable for irrigation or
9 farm or domestic purposes from the infiltration or
10 addition of any detrimental substance and to prevent
11 subsequent damage to life, health, property, and other
12 resources.

13 SEC. 19. Section 3215 of the Public Resources Code is
14 amended to read:

15 3215. Upon the completion or abandonment of any
16 well or upon the suspension of operations upon any well,
17 true copies of the log, core record, and history in
18 duplicate, and if made, true and reproducible copies of all
19 electrical, physical, or chemical logs, tests, or surveys in
20 duplicate and in such form as the supervisor may approve
21 shall be filed with the district deputy within 60 days after
22 such completion, suspension, or abandonment. Like
23 copies shall be filed upon the completion of additional
24 work in any well. Upon a showing of hardship, the
25 supervisor may extend the time within which to comply
26 with the provisions of this section for a period not to
27 exceed 60 additional days.

28 SEC. 20. Section 3218 of the Public Resources Code is
29 amended to read:

30 3218. The supervisor upon application of an owner or
31 operator shall determine and designate what wells are
32 prospect wells, and reports shall not be required from
33 such prospect wells until six months after suspension of
34 drilling operations. Upon a showing of hardship, the
35 supervisor may extend the time within which to comply
36 with the provisions of Section 3215 for a period not to
37 exceed six additional months.

38 SEC. 21. Section 3226 of the Public Resources Code is
39 amended to read:

40 3226. Within 30 days after service of an order,



1 pursuant to Sections 3224 and 3225, or 3237, or if there has
2 been an appeal from the order to the board of district
3 commissioners, within 30 days after service of the
4 decision of the board, or if a review has been taken of the
5 order of the board of district commissioners, within 10
6 days after affirmance of the order, the owner shall
7 commence in good faith the work ordered and continue
8 it until completion. If the work has not been commenced
9 and continued to completion, the supervisor shall appoint
10 necessary agents who shall enter the premises and
11 perform the work. An accurate account of the
12 expenditures shall be kept, and the amounts shall be paid
13 from the Petroleum and Gas Fund upon the warrant of
14 the State Controller. Any amount so expended shall
15 constitute a lien against the property upon which the
16 work is done.

17 SEC. 22. Section 3227 of the Public Resources Code is
18 amended to read:

19 3227. The owner of any well producing or capable of
20 producing oil or gas shall file with the district deputy, on
21 or before the 10th day of each month, for the last
22 preceding calendar month, a statement, in such form as
23 the supervisor may designate, showing:

24 (a) The amount of oil and gas produced from each
25 well during the period indicated, together with the
26 gravity of the oil, the amount of water produced from
27 each well, estimated in accordance with methods
28 approved by the supervisor, and the number of days
29 during which fluid was produced from each well.

30 (b) The number of wells drilling, producing, or idle,
31 owned or operated by such person.

32 (c) What disposition was made of the gas produced
33 from each well, including the names of persons, if any, to
34 whom the gas was delivered, and such other information
35 regarding the gas and the disposition thereof as the
36 supervisor may require.

37 Upon request and satisfactory showing, a longer
38 interval may be fixed by the supervisor for such reports
39 in the case of any specific owner or operator.

40 (d) It is the duty of the supervisor to compile from



1 such statements and to publish monthly statistics showing
2 the amount of oil and gas produced in the state by
3 oilfields and pools, together with the number of wells
4 drilling, number of wells producing or idle, all separately
5 stated as to oilfields and pools, with such other
6 information as the supervisor deems proper.

7 (e) As used in this section, "pool" means an
8 underground reservoir containing a common
9 accumulation of crude petroleum oil or natural gas or
10 both. Each zone of a general structure which is separated
11 from any other zone in the structure is a separate pool.

12 (f) What disposition was made of the water produced
13 from each well, including designations of injection or
14 disposal wells and such other information regarding the
15 water and the disposition thereof as the supervisor may
16 require.

17 SEC. 23. Section 3237 of the Public Resources Code is
18 amended to read:

19 3237. The supervisor or his deputy may order the
20 abandonment of any well that has been deserted whether
21 or not any damage is occurring or threatened by reason
22 of said well. Suspension of drilling operations and
23 removal of drilling machinery is ~~prima~~ *prima* facie
24 evidence of desertion after the elapse of six months unless
25 a request for an extension of time for a period not to
26 exceed an additional six months is theretofore filed ~~after~~
27 ~~April 1, 1973~~. Removal of production equipment or
28 facilities is *prima facie* evidence of desertion after the
29 elapse of two years *after April 1, 1973*. At any time the
30 supervisor may for good cause shown extend these
31 periods. Such order may be appealed to the district oil
32 and gas commissioners.

33 SEC. 24. Section 3356 of the Public Resources Code is
34 amended to read:

35 3356. If a review is not taken within 10 days, or if
36 taken, in case the decision of the district board is
37 affirmed, the lien upon the property shall be enforced in
38 the same manner as are other liens on real property, and
39 shall first be enforced against the owner of the well,
40 against the operator, against the personal property and



1 fixtures used in the construction or operation thereof, and
2 secondly against the mineral estate of the property, and
3 then, if there is any deficiency, against the land upon
4 which the work is done. Upon the request of the
5 supervisor, the State Controller shall bring an action for
6 the enforcement of the lien in the manner provided in
7 Article 7 (commencing with Section 3400) of this
8 chapter.

0



SECTION 1. Section 656.5 is added to the Welfare and Institutions Code, to read:

656.5. Any petition filed in juvenile court to commence proceedings pursuant to this chapter that is not verified may be dismissed without prejudice by such court.

CHAPTER 898

An act to amend Sections 3008, 3012, 3013, 3101, 3103, 3104, 3106, 3203, 3204, 3205, 3207, 3208, 3215, 3218, 3226, 3227, 3237, and 3356 of, and to add Section 3205.5 to, the Public Resources Code, relating to oil and gas.

[Approved by Governor August 15, 1972. Filed with Secretary of State August 15, 1972.]

The people of the State of California do enact as follows:

SECTION 1. Section 3008 of the Public Resources Code is amended to read:

3008. "Well" means any oil or gas well or well for the discovery of oil or gas, or any well on lands producing or reasonably presumed to contain oil or gas or any well drilled for the purpose of injecting fluids or gas for stimulating oil or gas recovery, repressuring or pressure maintenance of oil or gas reservoirs, or disposing of oilfield waste fluids or any well drilled within or adjacent to an oil or gas pool for the purpose of obtaining water to be used in production stimulation or repressuring operations.

SEC. 2. Section 3012 of the Public Resources Code is amended to read:

3012. The provisions of this division apply to any land or well situated within the boundaries of an incorporated city in which the drilling of oil wells is now or may hereafter be prohibited, until all wells therein have been abandoned as provided in this chapter.

SEC. 3. Section 3013 of the Public Resources Code is amended to read:

3013. This division shall be liberally construed to meet its purposes, and the director and the supervisor shall have all powers which may be necessary to carry out the purposes of this division.

SEC. 4. Section 3101 of the Public Resources Code is amended to read:

3101. The supervisor shall appoint one chief deputy and at least one district deputy for each of the districts provided for in this chapter, and shall prescribe their duties.

SEC. 5. Section 3103 of the Public Resources Code is amended to read:

3103. The chief deputy shall be a competent engineer or geologist, registered in the state, and experienced in the

development and production of oil and gas.

SEC. 6. Section 3104 of the Public Resources Code is amended to read:

3104. Each district deputy shall be a competent engineer or geologist, registered in the state, and experienced in the development and production of oil and gas. At the time any district deputy is appointed, notice of his appointment shall be transmitted in writing to the board of commissioners of the district for which the deputy is appointed.

SEC. 7. Section 3106 of the Public Resources Code is amended to read:

3106. The supervisor shall so supervise the drilling, operation, maintenance, and abandonment of wells as to prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil and gas deposits from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances, by reason of the drilling, operation, maintenance, or abandonment of wells.

The supervisor shall also supervise the drilling, operation, maintenance, and abandonment of wells so as to permit the owners or operators of such wells to utilize all methods and practices known to the oil industry for the purpose of increasing the ultimate recovery of underground hydrocarbons and which, in the opinion of the supervisor, are suitable for such purpose in each proposed case. In order to further the elimination of waste by increasing the recovery of underground hydrocarbons it is hereby declared as a policy of this state that the grant in an oil and gas lease or contract to a lessee or operator of the right or power, in substance, to explore for and remove all hydrocarbons from any lands in the State of California, in the absence of an express provision to the contrary contained in such lease or contract, is deemed to allow the lessee or contractor or his successors or assigns, to do what a prudent operator using reasonable diligence would do, having in mind the best interests of the lessor, lessee and the state, in producing and removing hydrocarbons, including but not limited to the injection of air, gas, water or other fluids into the productive strata, the application of pressure heat or other means for the reduction of viscosity of the hydrocarbons, the supplying of additional motive force or creating of enlarged or new channels for the underground movement of hydrocarbons into production wells, when such methods or processes employed have been approved by the supervisor; provided, however, nothing contained in this section imposes a legal duty upon such lessee or contractor, his successors or assigns, to conduct such operations.

In order to best meet oil and gas needs in California, the supervisor shall administer this division so as to encourage the wise development of the oil and gas resources.

SEC. 13. Section 3203 of the Public Resources Code is amended to read:



3203. The owner or operator of any well shall, before commencing the work of drilling the well, file with the supervisor or the district deputy a written notice of intention to commence drilling. Drilling shall not commence until approval is given by the supervisor or the district deputy; if the supervisor or the district deputy fails to give the owner or operator written response to the notice within 10 working days, such failure shall be considered as an approval of the notice and the notice shall, for the purposes and intents of this chapter, be deemed a written report of the supervisor. If operations have not commenced within one year of receipt of the notice, the notice will be considered canceled. The notice shall contain the following:

(a) The location and elevation above sea level of the floor of the proposed derrick and drill rig.

(b) The number or other designation by which the well shall be known. Such number or designation shall be subject to the approval of the supervisor.

(c) The owner's or operator's estimate of the depths between which production will be attempted.

(d) Such other pertinent data as the supervisor may require on the printed forms to be supplied by the Division of Oil and Gas, or on forms acceptable to the supervisor.

After the completion of any well the provisions of this section shall also apply, as far as may be, to the deepening or redrilling of the well, or any operation involving the plugging of the well, or any operations permanently altering in any manner the casing of the well. The number or designation by which any well heretofore drilled has been known, and the number or designation specified for any well in a notice filed as required by this section, shall not be changed without first obtaining a written consent of the supervisor.

SEC. 14. Section 3204 of the Public Resources Code is amended to read:

3204. Every person who engages in the drilling, redrilling, or deepening, or in any operation involving plugging or permanently altering in any manner the casing of any well shall file with the supervisor an indemnity bond in the sum of five thousand dollars (\$5,000) for each well so drilled, redrilled, deepened, plugged or permanently altered. The bond shall be filed with the supervisor at the time of the filing of the notice of intention to perform work on the well, provided for in Section 3203. The bond shall be executed by such person, as principal, and by an authorized surety company, as surety, conditioned that the principal named in the bond shall faithfully comply with all the provisions of this chapter, in drilling, redrilling, or deepening any well or wells covered by the bond, and shall secure the state against all losses, charges, and expenses incurred by it to obtain such compliance by the principal named in the bond.

The condition of the bond shall be stated in substantially the following language:



“If said _____, the above bounden principal, shall well and truly comply with all the provisions of Division 3 of the Public Resources Code and shall obey all lawful orders of the State Oil and Gas Supervisor or his district deputy or deputies, subject to subsequent appeal as provided in this division, and shall pay all charges, costs, and expenses incurred by the supervisor or his district deputy or deputies in respect of such well or wells or the property or properties of said principal, or assessed against such well or wells or the property or properties of such principal, in pursuance of the provisions of said division, then this obligation shall be void; otherwise, it shall remain in full force and effect.”

SEC. 15. Section 3205 of the Public Resources Code is amended to read:

3205. Any person who engages in the drilling, redrilling, deepening, or in any operation involving plugging or permanently altering in any manner the casing of one or more wells at any time, may file with the supervisor one bond for twenty-five thousand dollars (\$25,000) to cover all his operations in drilling, redrilling, deepening, plugging, or permanently altering any of his wells in the state in lieu of a five-thousand-dollar (\$5,000) bond for each well drilled, redrilled, deepened, plugged, or permanently altered. The bond shall be executed by such person, as principal, and by an authorized surety company, as surety, and shall be in substantially the same language and upon the same conditions as provided in Section 3204, except as to the difference in the amount.

SEC. 16. Section 3205.5 is added to the Public Resources Code, to read:

3205.5. In lieu of the bond required by Sections 3204 and 3205, a person may with the written approval of the supervisor file a cash bond in the applicable amount, evidence of deposit in banks authorized to do business in this state and insured by the Federal Deposit Insurance Corporation, investment certificates or share accounts in the applicable amount issued by a savings and loan association doing business in this state and insured by the Federal Savings and Loan Insurance Corporation, or bonds issued by the United States or the State of California in the principal amounts of six thousand dollars (\$6,000) or thirty thousand dollars (\$30,000), whichever is applicable, with the State Treasurer, such bond or security filed in lieu thereof shall be subject to all conditions set forth in Sections 3204, 3205, 3206, 3207, and 3208.

SEC. 17. Section 3207 of the Public Resources Code is amended to read:

3207. Any twenty-five-thousand-dollar (\$25,000) bond issued in compliance with this chapter may, with the consent of the supervisor, be terminated and canceled and the surety be relieved of all obligations thereunder when all wells covered by such bond have been properly completed or abandoned. Should the person who has filed a twenty-five-thousand-dollar (\$25,000) bond properly



complete or abandon a portion of his wells covered by the bond, the bond may, with the consent of the supervisor, be terminated and canceled and the surety be relieved of all obligations thereunder upon the filing by such person of a five-thousand-dollar (\$5,000) bond for each well which he is still engaged in drilling, re-drilling, deepening, plugging, or permanently altering. Liability as to individual wells that have been drilled and abandoned or completed under a twenty-five-thousand-dollar (\$25,000) bond may also be terminated with the consent of the supervisor.

SEC. 18. Section 3208 of the Public Resources Code is amended to read:

3208. A well is properly completed, for the purposes of Sections 3206 and 3207, when it has been completed to production of oil or gas, and the person engaged in drilling, re-drilling, deepening, plugging, or permanently altering it has shown to the satisfaction of the supervisor that both the manner of drilling, re-drilling, deepening, plugging, or permanently altering the well and the manner of producing oil or gas therefrom are satisfactory. A well is properly abandoned when drilling, re-drilling, deepening, plugging, or permanently altering has ceased before completion to production of oil or gas, and the person drilling, re-drilling, deepening, plugging, or permanently altering it has shown to the satisfaction of the supervisor that all proper steps have been taken to shut off and exclude all water from oil-bearing or gas-bearing strata encountered in the well, and to protect underground or surface water suitable for irrigation or farm or domestic purposes from the infiltration or addition of any detrimental substance and to prevent subsequent damage to life, health, property, and other resources.

SEC. 19. Section 3215 of the Public Resources Code is amended to read:

3215. Upon the completion or abandonment of any well or upon the suspension of operations upon any well, true copies of the log, core record, and history in duplicate, and if made, true and reproducible copies of all electrical, physical, or chemical logs, tests, or surveys in duplicate and in such form as the supervisor may approve shall be filed with the district deputy within 60 days after such completion, suspension, or abandonment. Like copies shall be filed upon the completion of additional work in any well. Upon a showing of hardship, the supervisor may extend the time within which to comply with the provisions of this section for a period not to exceed 60 additional days.

SEC. 20. Section 3218 of the Public Resources Code is amended to read:

3218. The supervisor upon application of an owner or operator shall determine and designate what wells are prospect wells, and reports shall not be required from such prospect wells until six months after suspension of drilling operations. Upon a showing of hardship, the supervisor may extend the time within which to comply with the provisions of Section 3215 for a period not to exceed



six additional months.

SEC. 21. Section 3226 of the Public Resources Code is amended to read:

3226. Within 30 days after service of an order, pursuant to Sections 3224 and 3225, or 3237, or if there has been an appeal from the order to the board of district commissioners, within 30 days after service of the decision of the board, or if a review has been taken of the order of the board of district commissioners, within 10 days after affirmance of the order, the owner shall commence in good faith the work ordered and continue it until completion. If the work has not been commenced and continued to completion, the supervisor shall appoint necessary agents who shall enter the premises and perform the work. An accurate account of the expenditures shall be kept, and the amounts shall be paid from the Petroleum and Gas Fund upon the warrant of the State Controller. Any amount so expended shall constitute a lien against the property upon which the work is done.

SEC. 22. Section 3227 of the Public Resources Code is amended to read:

3227. The owner of any well producing or capable of producing oil or gas shall file with the district deputy, on or before the 10th day of each month, for the last preceding calendar month, a statement, in such form as the supervisor may designate, showing:

(a) The amount of oil and gas produced from each well during the period indicated, together with the gravity of the oil, the amount of water produced from each well, estimated in accordance with methods approved by the supervisor, and the number of days during which fluid was produced from each well.

(b) The number of wells drilling, producing, or idle, owned or operated by such person.

(c) What disposition was made of the gas produced from each well, including the names of persons, if any, to whom the gas was delivered, and such other information regarding the gas and the disposition thereof as the supervisor may require.

Upon request and satisfactory showing, a longer interval may be fixed by the supervisor for such reports in the case of any specific owner or operator.

(d) It is the duty of the supervisor to compile from such statements and to publish monthly statistics showing the amount of oil and gas produced in the state by oilfields and pools, together with the number of wells drilling, number of wells producing or idle, all separately stated as to oilfields and pools, with such other information as the supervisor deems proper.

(e) As used in this section, "pool" means an underground reservoir containing a common accumulation of crude petroleum oil or natural gas or both. Each zone of a general structure which is separated from any other zone in the structure is a separate pool.

(f) What disposition was made of the water produced from each well, including designations of injection or disposal wells and such other information regarding the water and the disposition thereof as



the supervisor may require.

SEC. 23. Section 3237 of the Public Resources Code is amended to read:

3237. The supervisor or his deputy may order the abandonment of any well that has been deserted whether or not any damage is occurring or threatened by reason of said well. Suspension of drilling operations and removal of drilling machinery is prima facie evidence of desertion after the elapse of six months unless a request for an extension of time for a period not to exceed an additional six months is theretofore filed. Removal of production equipment or facilities is prima facie evidence of desertion after the elapse of two years after April 1, 1973. At any time the supervisor may for good cause shown extend these periods. Such order may be appealed to the district oil and gas commissioners.

SEC. 24. Section 3356 of the Public Resources Code is amended to read:

3356. If a review is not taken within 10 days, or if taken, in case the decision of the district board is affirmed, the lien upon the property shall be enforced in the same manner as are other liens on real property, and shall first be enforced against the owner of the well, against the operator, against the personal property and fixtures used in the construction or operation thereof, and secondly against the mineral estate of the property, and then, if there is any deficiency, against the land upon which the work is done. Upon the request of the supervisor, the State Controller shall bring an action for the enforcement of the lien in the manner provided in Article 7 (commencing with Section 3400) of this chapter.

CHAPTER 899

An act to amend Section 205.5 of the Revenue and Taxation Code, and to place a constitutional amendment on the ballot, relating to property taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 15, 1972 Filed with
Secretary of State August 15, 1972]

The people of the State of California do enact as follows:

SECTION 1. Section 205.5 of the Revenue and Taxation Code is amended to read:

205.5. (a) There is exempt from taxation property, constituting the home, of every resident of this state who is a veteran as specified in Section 1¼ of Article XIII of the Constitution, and who, by reason of a permanent and total service-connected disability incurred in such military or naval service due to the loss, or loss of use, as the result of amputation, ankylosis, progressive muscular dystrophies, or



CALIFORNIA LEGISLATURE

AT SACRAMENTO

1972 REGULAR SESSION

SENATE FINAL HISTORY

SHOWING ACTION TAKEN IN THIS SESSION ON ALL SENATE BILLS,
CONSTITUTIONAL AMENDMENTS, CONCURRENT, JOINT
RESOLUTIONS AND SENATE RESOLUTIONS

CONVENED JANUARY 3, 1972

ADJOURNED SINE DIE JANUARY 5, 1973

DAYS IN SESSION	148
CALENDAR DAYS	369

Bill Signing Period Expires 12 O'clock Midnight December 31, 1972

Laws Become Effective March 7, 1973

Last Day for Filing Referendum March 6, 1973

LT GOVERNOR ED REINECKE
President of the Senate

SENATOR JAMES R MILLS
President pro Tempore

Compiled Under the Direction of

DARRYL R WHITE
Secretary of the Senate

by
DAVID H KNEALE
History Clerk



S.B. No. 1020—Mills.

An act to amend Section 72400 of the Government Code, relating to municipal courts

Mar 15—Read first time
 April 10—To Com on JUD
 June 13—From committee Do pass as amended.
 June 14—Read second time Amended To third reading
 June 16—Read third time Passed To Assembly (Ayes 29 Noes 0)
 June 19—In Assembly Read first time Held at desk
 June 20—To Com on JUD
 July 18—From committee Do pass To Consent Calendar
 July 19—Read second time To Consent Calendar.
 July 20—From Consent Calendar to second reading
 July 21—Read second time To third reading
 July 24—Read third time Passed To Senate (Ayes 54 Noes 0) Action rescinded whereby bill read third time, passed, and to Senate.
 July 25—Read third time Passed To Senate (Ayes 64 Noes 1)
 July 25—In Senate To enrollment
 July 28—Enrolled To Governor at 5 p m
 Aug 9—Approved by Governor Chapter 610

S.B. No. 1021—Mills.

An act to amend Section 721901 of the Government Code, relating to commissioners of municipal courts

Mar 15—Read first time
 April 10—To Com on JUD
 Dec 1—From committee without further action

S B. No. 1022—Deukmejian.

An act to amend Sections 3008, 3012, 3013, 3101, 3103, 3104, 3106, 3203, 3204, 3205, 3207, 3208, 3215, 3218, 3226, 3227, 3237, and 3356 of, and to add Section 3205 to, the Public Resources Code, relating to oil and gas

Mar 15—Read first time
 April 10—To Com on G O
 May 2—From committee with author's amendments Read second time Amended Re-referred to committee
 May 23—From committee with author's amendments Read second time Amended Re-referred to committee
 May 25—From committee Do pass, but first be re-referred to Com on FIN. Re-referred to Com on FIN
 June 20—From committee Do pass To Consent Calendar
 June 21—Read second time To Consent Calendar
 June 23—Read third time Passed To Assembly (Ayes 25 Noes 0)
 June 26—In Assembly Read first time Held at desk
 June 27—To Com on P & L U
 July 20—From committee Do pass, but first be re-referred to Com on W & M, with recommendation To Consent Calendar Re-referred to Com on W & M
 July 26—From committee Do pass as amended To Consent Calendar Read second time Amended To Consent Calendar
 July 27—Read third time Passed To Senate (Ayes 75 Noes 0)
 July 28—In Senate To unfinished business
 July 31—Senate concurs in Assembly amendment To enrollment (Ayes 34 Noes 0)
 Aug 7—Enrolled To Governor at 11 a m
 Aug 15—Approved by Governor Chapter 898



Division of Oil and Gas -- Oil and Gas Regulations

HISTORY:

Source: Division of Oil and Gas

Prior Legislation: None identified

PURPOSE:

To update the present statutes relating to oil and gas administration and oil and gas practices which are regulated in California.

ANALYSIS:

1. Expands the definition of "well" to include such auxiliary wells as repressuring, production-stimulation and oil field waste disposal wells.
2. At present the Chief Deputy and Deputies in the Division of Oil and Gas are required to be geologists. SB 1022 would require that they be "registered" geologists. At the present time, all of the personnel affected are "registered".
5. Changes the present law requiring the owner or operator of any well to file a written notice of intention to commence drilling with the Supervisor or district deputy. Section 3203 of SB 1022 has been amended to prevent commencement of drilling until approval has been given by the Supervisor or the district deputy. Automatic approval is granted if the Supervisor does not act within 10 days. The notice shall be considered cancelled if not acted upon within one year.
6. The measure extends bonding provisions to cover, in addition to drilling, redrilling or deepening or any work on a well. Requires that upon completion or abandonment of any well or upon suspension of operations of any well, all true copies of the log, core record, history or other surveys be filed with the district deputy within 60 days after such completion. (Extends the time to file records from 10 days to 60 days and provides allowances for hardships.)

7. Adds to the required data to be provided in monthly production reports data regarding the disposition of water produced from each well.

8. Provides that the removal of production equipment or facilities is prima facie evidence of desertion after the elapse of 2 years.

9. Provides in the case of lien that after a lien is enforced against the owner of the estate, against the operator, against the personal property or fixtures used in the construction or operation thereof, a lien may be placed upon the mineral estate of the property. As a final recourse, a lien may be placed against the land upon which the work is done.

COMMENT:

1. This measure was sponsored by the Conservation Agency, Division of Oil and Gas. The sponsors assert that the Code under which they derive their authority have not been up-dated in recent history and that these changes in the Code are long overdue as a means of providing protection for the public.

2. The major oil and gas producers in California have evidenced some concern with regard to specific provisions in the bill. For example, at the present time the Division does not have the authority to withhold a permit, although the operator must file a written notice of intention. Under the provisions of SB 1022, this would be altered in that the operator would still be required to file a notice of intention, but the Division would be empowered to withhold approval within 10 days. In addition, there has been some concern expressed with regard to the provisions affecting subsidence control. Section 3106 assigns to the Supervisor the responsibility for supervising the drilling, operation, maintenance, and abandonment of wells as to prevent damage due to subsidence and compassion of land overlying, or immediately adjacent to, producing oil or gas pools....

3. The independent oil producers in California have no opposition to this measure. The Long Beach Harbor Department, which shares management responsibility over the Long Beach oil fields, is not opposed to this measure.

APR 11 1972

SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION
BILL ANALYSIS WORK SHEET

BILL NO. SB 1022 - Neukamp

In keeping with our legislation study program, we will appreciate any help you can give in providing the information requested below. If you or the bill sponsor already have on hand explanatory or background materials relative to this measure, would you please attach these materials to this form and forward them to the Committee Consultant at least one week prior to the scheduled hearing date.

1. SOURCE OF THE MEASURE:
(Briefly stated)

(a) What person, organization, or governmental entity, if any, requested introduction? Department of Conservation, Division of Oil and Gas

(b) Has a similar bill been before either this or a previous session of the Legislature? If so, please identify the session and bill number. SB 560, 1971, enacted - concerned oil and gas district boundary changes

(c) Has there been an interim committee, task force, university or other report on the bill? If so, please identify the report. No

2. PURPOSE OF THE BILL:

(a) Problem or deficiency in the present law which the bill seeks to remedy. See attachment

3. BACKGROUND INFORMATION:

(a) Legal, social, economic, other. None

(b) Groups supporting the bill. None

(c) Groups opposing the bill. (Organizations or governmental agencies) None

Please send to: Charles L. Baldwin, Committee Consultant
Room 5050 State Capitol
Telephone: 445-1193

Analysis directed to amended bill not yet processed
BB

2. PURPOSE OF THE BILL:

- (a) Problem or deficiency in the present law which the bill seeks to remedy.
1. Redefines well to include injection and disposal wells.
 2. Requires chief deputy and deputies to be registered engineers or geologists.
 3. Adds to duties of supervisor subsidence abatement.
 4. Provides for oil and gas districts with boundaries set by the director and provides for election of commissioners.
 5. Requires approval before commencing drilling or rework operations and adds automatic cancellation clause.
 6. Extends bonding provisions to cover, in addition to drilling, re-drilling or deepening, any work on a well.
 7. Makes generalized rather than specific statements as to records required.
 8. Extends time to file records from 10 days after 30-day period to 60 days and provides allowances for hardships.
 9. Requires production reports to show disposition of water.
 10. Makes removal of production equipment and/or facilities evidence of desertion.
 11. Includes the mineral estate in property against which a lien can be made.



AMENDMENTS TO SENATE BILL NO. 1022

Amendment 1

On page 6 line 40 of the printed bill, strike out Sec. 13 which is line 40 and strike out on page 7 of the printed bill lines 1 to 8, inclusive.

Amendment 2

On page 8 line 34 of the printed bill, strike out "this" and after "division" insert: III of the Public Resources Code

Amendment 3

On page 9 line 11 of the printed bill, strike out "maintaining or abandoning" and after "deepening," insert: or in any operation involving plugging, or permanently altering in any manner the casing

Amendment 4

On page 9 line 15 of the printed bill, strike out "or" and after "deepening" insert: plugging, or permanently altering

Amendment 5

On page 9 line 17 of the printed bill, strike out "which he is still" and strike out all of line 18, and on line 19 strike out "abandoning" and after well on line 16 insert: drilled, redrilled, deepened, plugged, or permanently altered

Amendment 6

On page 9 line 26 of the printed bill, after 3204 strike out ",", and after "3204" insert: and

Amendment 7

On page 9 line 27 of the printed bill, strike out "and 3206.5"

4/24/72



Amendments to Senate Bill No. 1022 - Page Two

Amendment 8

On page 9 line 36 of the printed bill, strike out "two thousand four" and on line 37 strike out "hundred dollars (\$2,400),"

Amendment 9

On page 10 line 1 of the printed bill, strike out "3206.5,"

Amendment 10

On page 10, line 11 of the printed bill, after properly insert: completed or

Amendment 11

On page 10, line 13 of the printed bill, strike out entire Sec. 19, lines 13 through 2.7 inclusive

Amendment 12

On page 10 line 35 of the printed bill, after properly insert: completed or

Amendment 13

On page 10 line 37 of the printed bill, after properly insert: complete or

Amendment 14

On page 11 line 2 of the printed bill, strike out "or two thousand-dollar (\$2,000) bond as" and on line 3 strike out "provided in Section 3206.5"

Amendment 15

On page 11 line 4 of the printed bill, after deepening insert: plugging or permanently altering

Amendment 16

On page 11 line 5 of the printed bill, strike out "maintaining or abandoning"

Amendment 17

On page 11 line 6 of the printed bill, after abandoned insert: or completed

Amendment 18

On page 11 line 12 of the printed bill, strike out "Section 3206.5" and insert: Sections 3206 and 3207



Amendment 19

On page 11 line 14 of the printed bill, strike out "or" and after deepening insert: plugging or permanently altering

Amendment 20

On page 11 line 16 of the printed bill, after deepening insert: plugging or permanently altering

Amendment 21

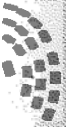
On page 11 line 17 of the printed bill, after oil insert: and gas

Amendment 22

On page 11 line 18 of the printed bill, after when insert: drilling, re-drilling, deepening, plugging, or permanently altering has ceased before completion to production of oil or gas and

Amendment 23

On page 11 line 21 of the printed bill, strike out "or maintaining" and after deepening, insert: plugging, or permanently altering



1. Clean-up and update of an old code
2. "Registered" geologist
3. Bad Requirement on Redrill
4. Lien against Operator + Mineral Estate + the land owner

Independent Oil producers not
organized
Western Oil + Gas Assn " "
Bording Companies " "



REPORTS OF STANDING COMMITTEES

Committee on Governmental Organization

Senate Chamber, May 2, 1972

Mr. President: The Chairman of the Committee on Governmental Organization, to which was/were referred:

RUSH
REAR

Senate Bill ~~502~~-----

Assembly Bill-----

Senate Bill ~~590~~-----

Assembly Bill-----

RUSH

Senate Bill 1022-----

Assembly Bill-----

Senate Bill ~~1051~~-----

Assembly Bill-----

Senate Bill 1427-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate Bill-----

Assembly Bill-----

Senate-----

Assembly-----

Senate-----

Assembly-----

Reports the same back with **AUTHOR'S AMENDMENTS** with the recommendation: Amend, and re-refer to the committee.

-----, Chairman

Ralp C. Dills

LEGISLATIVE INTENT SERVICE (800) 666-1917



Comm Copy

APR 28 1972
Req. #9567

AMENDMENTS TO SENATE BILL NO. 1022

AMENDMENT 1

In line 2 of the title of the printed bill,
strike out "3206,"

AMENDMENT 2

In line 4 of the title, strike out "Sections
3202.5, 3205.5, and 3206.5" and insert:

Section 3205.5

AMENDMENT 3

On page 6, strike out line 40, and on page 7,
strike out lines 1 to 8, inclusive, and in line 9, strike
out "Sec. 14" and insert:

Sec. 13



AMENDMENT 4

On page 8, line 10, strike out "Sec. 15" and
insert:

Sec. 14

AMENDMENT 4.5

On page 8, line 34, strike out "this division"
and insert:

Division 3 of the Public Resources Code



AMENDMENT 5

On page 9, line 8, strike out "Sec. 16" and
insert:

¶ Sec. 15

AMENDMENT 6

On page 9, line 11, strike out "maintaining, or
abandoning" and insert:

or in any operation involving plugging or permanently
altering in any manner the casing

AMENDMENT 7

On page 9, line 15, strike out "or deepening of"
and insert:

deepening, plugging, or permanently altering

AMENDMENT 8

On page 9, line 17, strike out "which he is still",
strike out line 18, and in line 19, strike out "abandoning"
and insert:

drilled, redrilled, deepened, plugged, or permanently altered



AMENDMENT 9

On page 9, line 24, strike out "Sec. 17" and
insert:

¶ Sec. 16

AMENDMENT 10

On page 9, lines 26 and 27, strike out "3204,
3205, and 3206.5" and insert:

3204 and 3205

AMENDMENT 11

On page 9, lines 36 and 37, strike out "two
thousand four hundred dollars (\$2,400), six thousand
dollars (\$6,000)," and insert:

six thousand dollars (\$6,000)

AMENDMENT 12

On page 10, line 1, strike out "3206.5,"



AMENDMENT 13

On page 10, strike out lines 3 to 27, inclusive, and in line 28, strike out "Sec. 20" and insert:

¶ Sec. 17

AMENDMENT 14

On page 10, line 35, after "properly" insert:

completed or

AMENDMENT 15

On page 10, line 37, after "properly" insert:

complete or

AMENDMENT 16

On page 11, lines 2 and 3, strike out "or two thousand dollar (\$2,000) bond as provided in Section 3206.5"

AMENDMENT 17

On page 11, line 5, strike out "maintaining, or abandoning" and insert:

plugging, or permanently altering



AMENDMENT 18

On page 11, line 6, after "abandoned" insert:

or completed

AMENDMENT 19

On page 11, line 9, strike out "Sec. 21" and
insert:

¶ Sec. 18

AMENDMENT 20

On page 11, line 12, strike out "Section 3206.5"
and insert:

Sections 3206 and 3207

AMENDMENT 21

On page 11, line 14, strike out "or deepening"
and insert:

deepening, plugging, or permanently altering



AMENDMENT 22

On page 11, line 16, strike out "or deepening"
and insert:

deepening, plugging, or permanently altering

AMENDMENT 23

On page 11, line 17, after "oil" insert:

or gas

AMENDMENT 24

On page 11, line 18, after "when" insert:

drilling, re-drilling, deepening, plugging, or permanently
altering has ceased before completion to production of oil
or gas, and

AMENDMENT 25

On page 11, line 21, strike out "or maintaining"
and insert:

plugging, or permanently altering

AMENDMENT 26

On page 11, line 30, strike out "Sec. 22" and

insert:

¶ Sec. 19

AMENDMENT 27

On page 12, line 12, strike out "Sec. 23" and

insert:

¶ Sec. 20

AMENDMENT 28

On page 12, line 22, strike out "Sec. 24" and

insert:

¶ Sec. 21

AMENDMENT 29

On page 13, line 1, strike out "Sec. 25" and

insert:

¶ Sec. 22



AMENDMENT 30

On page 14, line 1, strike out "Sec. 26" and

insert:

¶ Sec. 23

AMENDMENT 31

On page 14, line 16, strike out "Sec. 27" and

insert:

¶ Sec. 24



DEPARTMENT OF CONSERVATION

DIVISION OF FORESTRY
DIVISION OF MINES AND GEOLOGY
DIVISION OF OIL AND GAS
DIVISION OF SOIL CONSERVATION



SACRAMENTO, CA 95814
1416 Ninth Street

May 10, 1972

STATE CAPITOL
SACRAMENTO, CALIFORNIA 95814
TELEPHONE 448 6223

Senate
California Legislature

SENATOR RALPH C. DILLO
THIRTY-SECOND DISTRICT

5/9

10 am

Mr. Brock, Oil Dept,
City of Long Beach,
called to say they
have no problem
with SB 1022

Phyl

in and Members
Committee on
Environmental Organization
Capitol, Room 5050
Sacramento, California 95814

Chairman Dills and Members:

The Department of Conservation supports Senate Bill 1022, by
Senator Deukmejian.

Bill 1022 is designed to strengthen the authority and clarify the
responsibilities of the State Oil and Gas Supervisor as chief of this
Department's Division of Oil and Gas; and, therefore, to make the
Division of Oil and Gas a more effective organization in dealing
with present-day problems confronting the petroleum industry.

For example, there is a large number of idle petroleum wells in
California. Senate Bill 1022 would extend bond coverage to all
operations performed on a well and provides that a two-year
period of nonproduction or removal of producing equipment is
prima facie evidence of desertion of a well.

Provisions that will mitigate other environmental problems are:

1. Bringing injection disposal and water source wells
clearly under Division of Oil and Gas jurisdiction.
2. Requiring production reports to show the disposition
of water.
3. Giving the supervisor broad authority in the field of
subsidence abatement.
4. Requiring approval of notices before work on a well
commences.

STATE CAPITOL
SACRAMENTO, CALIFORNIA 95814
TELEPHONE 448-6883

Senate
California Legislature

SENATOR RALPH C. DILL
THIRTY-SECOND DISTRICT

5/9

10 am

Mr. Brock, Oil Dept,
City of Long Beach,
called to say they
have no problem
with SB 1022

Phil

STATE CAPITOL
SACRAMENTO, CALIFORNIA 95814
TELEPHONE: 448-9883

Senate
California Legislature

SENATOR RALPH C. DILLS
THIRTY-SECOND DISTRICT

5/9

10 am

Mr. Brock, Oil Dept,
City of Long Beach,
called to say they
have no problem
with SB 1022

Phil

DEPARTMENT OF CONSERVATION

DIVISION OF FORESTRY
DIVISION OF MINES AND GEOLOGY
DIVISION OF OIL AND GAS
DIVISION OF SOIL CONSERVATION



SACRAMENTO, CA 95814
1416 Ninth Street

May 10, 1972

Chairman and Members
Senate Committee on
Governmental Organization
State Capitol, Room 5050
Sacramento, California 95814

Dear Chairman Dills and Members:

The Department of Conservation supports Senate Bill 1022, by Senator Deukmejian.

The bill is designed to strengthen the authority and clarify the duties of the State Oil and Gas Supervisor as chief of this Department's Division of Oil and Gas; and, therefore, to make the Division of Oil and Gas a more effective organization in dealing with present-day problems confronting the petroleum industry.

For example, there is a large number of idle petroleum wells in California. Senate Bill 1022 would extend bond coverage to all operations performed on a well and provides that a two-year period of nonproduction or removal of producing equipment is prima facie evidence of desertion of a well.

Changes that will mitigate other environmental problems are:

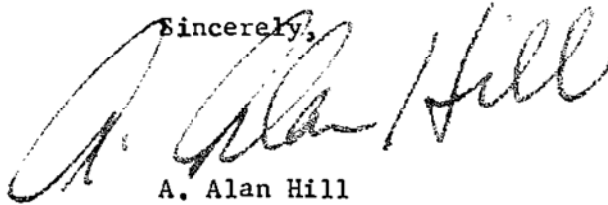
1. Bringing injection disposal and water source wells clearly under Division of Oil and Gas jurisdiction.
2. Requiring production reports to show the disposition of water.
3. Giving the supervisor broad authority in the field of subsidence abatement.
4. Requiring approval of notices before work on a well commences.



Currently the State is, by law, divided into six oil and gas districts with each district having seven or nine district commissioners. Senate Bill 1022 will give the Director of the Department of Conservation authority to divide the State into an unspecified number of districts and give each district nine commissioners. The Director will have the authority to divide the State into districts based on geologic provinces and community of interest.

The Department urges your favorable consideration of SB 1022.

Sincerely,



A. Alan Hill
Deputy Director

cc: Hon. George Deukmejian
Consultant, Governmental
Organization Committee



Division of Oil and Gas -- Oil and Gas Regulations

HISTORY:

Source: Division of Oil and Gas

Prior Legislation: None identified

PURPOSE:

To update the present statutes relating to oil and gas administration and oil and gas practices which are regulated in California.

ANALYSIS:

1. Expands the definition of "well" to include such auxiliary wells as repressuring, production-stimulation and oil field waste disposal wells.

2. At present the Chief Deputy and Deputies in the Division of Oil and Gas are required to be geologists. SB 1022 would require that they be "registered" geologists. At the present time, all of the personnel affected are "registered".

5. Changes the present law requiring the owner or operator of any well to file a written notice of intention to commence drilling with the Supervisor or district deputy. Section 3203 of SB 1022 has been amended to prevent commencement of drilling until approval has been given by the Supervisor or the district deputy. Automatic approval is granted if the Supervisor does not act within 10 days. The notice shall be considered cancelled if not acted upon within one year.

6. The measure extends bonding provisions to cover, in addition to drilling, redrilling or deepening or any work on a well. Requires that upon completion or abandonment of any well or upon suspension of operations of any well, all true copies of the log, core record, history or other surveys be filed with the district deputy within 60 days after such completion. (Extends the time to file records from 10 days to 60 days and provides allowances for hardships.)

7. Adds to the required data to be provided in monthly production reports data regarding the disposition of water produced from each well.

8. Provides that the removal of production equipment or facilities is prima facie evidence of desertion after the elapse of 2 years.

9. Provides in the case of lien that after a lien is enforced against the owner of the estate, against the operator, against the personal property or fixtures used in the construction or operation thereof, a lien may be placed upon the mineral estate of the property. As a final recourse, a lien may be placed against the land upon which the work is done.

COMMENT:

1. This measure was sponsored by the Conservation Agency, Division of Oil and Gas. The sponsors assert that the Code under which they derive their authority have not been up-dated in recent history and that these changes in the Code are long overdue as a means of providing protection for the public.

2. The major oil and gas producers in California have evidenced some concern with regard to specific provisions in the bill. For example, at the present time the Division does not have the authority to withhold a permit, although the operator must file a written notice of intention. Under the provisions of SB 1022, this would be altered in that the operator would still be required to file a notice of intention, but the Division would be empowered to withhold approval within 10 days. In addition, there has been some concern expressed with regard to the provisions affecting subsidence control. Section 3106 assigns to the Supervisor the responsibility for supervising the drilling, operation, maintenance, and abandonment of wells as to prevent damage due to subsidence and compassion of land overlying, or immediately adjacent to, producing oil or gas pools....

3. The independent oil producers in California have no opposition to this measure. The Long Beach Harbor Department, which shares management responsibility over the Long Beach oil fields, is not opposed to this measure.

Handwritten:
 1-13 on
 5-13 1022
 145 ✓
 d

REPORTS OF STANDING COMMITTEES

Committee on Governmental Organization

Senate Chamber, May 23, 1972

Mr. President The Chairman of the Committee on Governmental Organization, which was

Senate Bill <u>545</u>	Assembly Bill _____
Senate Bill <u>1022</u> ✓	Assembly Bill _____
Senate Bill <u>1454</u>	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate Bill _____	Assembly Bill _____
Senate _____	Assembly _____
Senate _____	Assembly _____

Reports the same back with **AUTHOR'S AMENDMENTS** with the recommendation: Amend, and re-refer to the committee.

Handwritten Signature: Ralph C. Dille
 _____, Chairman
 Ralph C. Dille

LEGISLATIVE INTENT SERVICE (800) 666-1917

MAY 23 1972

Req. #11637

AMENDMENTS TO SENATE BILL NO. 1022
AS AMENDED IN SENATE MAY 2, 1972

AMENDMENT 1

In line 2 of the title of the printed bill, as amended in Senate May 2, 1972, strike out "3150, 3151, 3153, 3156, 3156.5,"

AMENDMENT 2

On page 3, line 38, strike out "damage due to" and strike out lines 39 and 40, and insert:

and

AMENDMENT 3

On page 5, strike out lines 1 to 40, inclusive, and on page 6, strike out lines 1 to 27, inclusive.

AMENDMENT 4

On page 13, line 32, after "filed" insert:

after April 1, 1973



ANALYSIS OF SENATE BILL NO. 1022 (Deukmejian)
As Amended in Senate May 2, 1972 and
As Further Amended by LCR No. 11637
1972 Session

Fiscal Effect:

Cost: No added state cost for the Petroleum and Gas Fund.

Revenue: None.

Analysis:

The Division of Oil and Gas in the Department of Conservation supervises the drilling, operation, maintenance and abandonment of oil, gas and geothermal wells. This bill makes several changes in the statutes pertaining to the division's responsibility for regulation of oil and gas wells.

The major proposed changes include the following:

(1) Expands the definition of "well" to include such auxiliary wells as repressuring, production stimulation and oilfield waste disposal wells. The division would be responsible for supervising these auxiliary wells.

(2) Requires the chief deputy and the district deputies in the division to be registered geologists or engineers, rather than geologists or engineers.

(3) Changes present law requiring the owner or operator of any well to file a written notice of intention to commence drilling with the supervisor or district deputy. This bill provides that the notice shall be considered automatically approved if the supervisor or district deputy does not provide the owner or operator written response to his notice within ten working days.



(4) Revises various code provisions pertaining to bonding requirements for those engaged in drilling, re-drilling, deepening, plugging or permanently altering oil and gas wells.

(5) Revises provisions pertaining to the abandonment of wells and requires the owner to indicate the disposition of water produced from each well, including disposal wells.

According to the Division of Oil and Gas, the provisions of the bill would require no added state cost.

The Division of Oil and Gas is a special fund agency supported by charges on operators of producing oil, gas and geothermal wells which are placed in the Petroleum and Gas Fund and the Subsidence Abatement Fund.



ANALYSIS OF SENATE BILL NO. 1022 (Deukmejian)
As Amended in Senate May 2, 1972 and
As Further Amended by LCR No. 11637
1972 Session

Fiscal Effect:

Cost: No added state cost for the Petroleum and Gas Fund.

Revenue: None.

Analysis:

The Division of Oil and Gas in the Department of Conservation supervises the drilling, operation, maintenance and abandonment of oil, gas and geothermal wells. This bill makes several changes in the statutes pertaining to the division's responsibility for regulation of oil and gas wells.

The major proposed changes include the following:

(1) Expands the definition of "well" to include such auxiliary wells as repressuring, production stimulation and oilfield waste disposal wells. The division would be responsible for supervising these auxiliary wells.

(2) Requires the chief deputy and the district deputies in the division to be registered geologists or engineers, rather than geologists or engineers.

(3) Changes present law requiring the owner or operator of any well to file a written notice of intention to commence drilling with the supervisor or district deputy. This bill provides that the notice shall be considered automatically approved if the supervisor or district deputy does not provide the owner or operator written response to his notice within ten working days.



(4) Revises various code provisions pertaining to bonding requirements for those engaged in drilling, re-drilling, deepening, plugging or permanently altering oil and gas wells.

(5) Revises provisions pertaining to the abandonment of wells and requires the owner to indicate the disposition of water produced from each well, including disposal wells.

According to the Division of Oil and Gas, the provisions of the bill would require no added state cost.

The Division of Oil and Gas is a special fund agency supported by charges on operators of producing oil, gas and geothermal wells which are placed in the Petroleum and Gas Fund and the Subsidence Abatement Fund.



ANALYSIS OF SB 1022 (Deukmejian)
(As amended 5/23/72)

BACKGROUND:

Division 3 of the Public Resources Code (Section 3000, et seq.) contains the statutes regulating oil and gas practices in California. This bill is designed to clarify the authority and duties of the State Oil and Gas Supervisor as Chief of the Department of Conservation's Division of Oil and Gas.

SUMMARY:

The bill makes the following changes in the existing provisions relating to the Division of Oil and Gas:

1. It expands the definition of "well" to include auxiliary wells such as those used to inject fluids into oil reservoirs to produce pressure, wells used to dispose of oil field waste fluids, or wells drilled to obtain sources of water.
2. Removes the present authority of the Oil and Gas Supervisor to fix compensation for his deputies and provides that each deputy must be a registered engineer or geologist experienced in the development and production of oil and gas.
3. Adds language to Section 3106 to say that the supervisor shall administer his duties so as to encourage the wise development of oil and gas resources in California.
4. Existing law requires the owner or operator of a well, before commencing drilling, to file a written notice of intention to commence drilling with the supervisor or district deputy. This bill amends the law to prevent commencement of drilling until approval has been given by the supervisor or the district deputy. Automatic approval is implied if the supervisor does not act within ten days after receipt of the written notice. The notice is deemed cancelled if not acted upon within one year.
5. Current bonding requirements extend only to operations which will drill, redrill, or deepen a well. This bill extends the bonding requirements to operations involving plugging or permanently altering a well.
6. The bill amends the provisions regulating the completion or abandonment of wells to include wells which have been plugged or permanently altered.



7. Extends from ten days to sixty days the permissible period within which all true copies of the log, core record, history or other surveys must be filed with the district deputy following the completion or abandonment of any well. The bill also provides that upon a showing of hardship, the supervisor may extend the time for a period not to exceed six additional months.

8. Section 2237 presently specifies the information which must be included in the monthly report that is filed with the district deputy by a well owner. This bill expands that data to include a report regarding the disposition of water produced from each well.

9. Existing law authorizes the supervisor to order the abandonment of any well and further provides that suspension of drilling operations before a six month period constitutes prima facie evidence of desertion of the well. This bill adds the statement that removal of production equipment or facilities constitutes prima facie evidence of desertion of a well after a lapse of two years.

10. The supervisor is empowered to make certain orders, including orders that the unreasonable waste of gas be discontinued or refrained from. The law also provides a process for appealing such an order and, if no appeal is taken or if the decision of the district board is affirmed, the law provides the priority with which liens shall be enforced against the property. This bill amends the provision to allow a lien against the mineral estate of the property, following primary liens against the owner of the well, against the operator, and against the personal property and fixtures used in the construction and operation of the well.

COMMENT:

This bill is sponsored by the Department of Conservation, Division of Oil and Gas. The sponsors indicate that the code under which they operate has not been updated for many years and that the amendments proposed in this bill are necessary to allow them to deal effectively with present day problems confronting the petroleum industry. Such problems reportedly include the large number of idle wells in California and the need for authority to control and mitigate environmental problems such as auxiliary wells, disposition of water, and requirements of notice before work on a well commences.

There is no known opposition.



ANALYSIS OF SB 1022 (Deukmejian)
(As amended 5/23/72)

BACKGROUND:

Division 3 of the Public Resources Code (Section 3000, et seq.) contains the statutes regulating oil and gas practices in California. This bill is designed to clarify the authority and duties of the State Oil and Gas Supervisor as Chief of the Department of Conservation's Division of Oil and Gas.

SUMMARY:

The bill makes the following changes in the existing provisions relating to the Division of Oil and Gas:

1. It expands the definition of "well" to include auxiliary wells such as those used to inject fluids into oil reservoirs to produce pressure, wells used to dispose of oil field waste fluids, or wells drilled to obtain sources of water.
2. Removes the present authority of the Oil and Gas Supervisor to fix compensation for his deputies and provides that each deputy must be a registered engineer or geologist experienced in the development and production of oil and gas.
3. Adds language to Section 3106 to say that the supervisor shall administer his duties so as to encourage the wise development of oil and gas resources in California.
4. Existing law requires the owner or operator of a well, before commencing drilling, to file a written notice of intention to commence drilling with the supervisor or district deputy. This bill amends the law to prevent commencement of drilling until approval has been given by the supervisor or the district deputy. Automatic approval is implied if the supervisor does not act within ten days after receipt of the written notice. The notice is deemed cancelled if not acted upon within one year.
5. Current bonding requirements extend only to operations which will drill, redrill, or deepen a well. This bill extends the bonding requirements to operations involving plugging or permanently altering a well.
6. The bill amends the provisions regulating the completion or abandonment of wells to include wells which have been plugged or permanently altered.

7. Extends from ten days to sixty days the permissible period within which all true copies of the log, core record, history or other surveys must be filed with the district deputy following the completion or abandonment of any well. The bill also provides that upon a showing of hardship, the supervisor may extend the time for a period not to exceed six additional months.

8. Section 2237 presently specifies the information which must be included in the monthly report that is filed with the district deputy by a well owner. This bill expands that data to include a report regarding the disposition of water produced from each well.

9. Existing law authorizes the supervisor to order the abandonment of any well and further provides that suspension of drilling operations before a six month period constitutes prima facie evidence of desertion of the well. This bill adds the statement that removal of production equipment or facilities constitutes prima facie evidence of desertion of a well after a lapse of two years.

10. The supervisor is empowered to make certain orders, including orders that the unreasonable waste of gas be discontinued or refrained from. The law also provides a process for appealing such an order and, if no appeal is taken or if the decision of the district board is affirmed, the law provides the priority with which liens shall be enforced against the property. This bill amends the provision to allow a lien against the mineral estate of the property, following primary liens against the owner of the well, against the operator, and against the personal property and fixtures used in the construction and operation of the well.

COMMENT:

This bill is sponsored by the Department of Conservation, Division of Oil and Gas. The sponsors indicate that the code under which they operate has not been updated for many years and that the amendments proposed in this bill are necessary to allow them to deal effectively with present day problems confronting the petroleum industry. Such problems reportedly include the large number of idle wells in California and the need for authority to control and mitigate environmental problems such as auxiliary wells, disposition of water, and requirements of notice before work on a well commences.

There is no known opposition.



over desk
11-9-72

AMENDMENTS TO SENATE BILL NO. 1118
AS AMENDED IN ASSEMBLY July 20, 1972

AMENDMENT 1

On page 2, line 22, of the printed bill as amended in Assembly July 20, 1972, strike out "regulate only those matters in which", and strike out line 23 and in line 24, strike out "order" and insert:

provide

AMENDMENT 2

On page 2, line 25, strike out "divisions of real property within" and insert:

the design and improvement of subdivisions within

AMENDMENT 3

On page 2, line 28, after "of", insert:

the design and improvement of



AMENDMENT 4

On page 2, line 32, strike out "including, but not limited to, the design and" and in line 33 strike out "improvement thereof,"

AMENDMENT 5

On page 2, line 39, after the word "division" insert a comma.

AMENDMENT 6

On page 4, strike out lines 32 to 40, inclusive, and insert:

66419. "Improvement" means:

(a) streets, drainage and sanitary facilities and utilities, fireroads and firebreaks, traffic access, grading and erosion control, parks, open-space, and recreational facilities, to be installed, or agreed to be installed by the subdivider as a condition precedent to the approval and acceptance of a map required by this division; and

(b) such other specific improvements or types of improvements, the installation of which, either by the subdivider, by public agencies, by private utilities or by a combination thereof, is necessary or convenient to insure conformity to or implementation of



AMENDMENT 7

On page 5, line 15, strike out "or gift,"

AMENDMENT 8

On page 6, between lines 4 and 5, insert:

(d) Each parcel created by the division has a gross area of 40 acres or more, or each of which is a quarter-quarter section or larger, or such other amount, up to 60 acres, as may be specified by local ordinance.

AMENDMENT 9

On page 6, strike out line 6 and insert:

described in (a), (b), (c), and (d).

AMENDMENT 10 *

On page 6, between lines 6 and 7, insert:

66425.5. A map of a condominium project or a community apartment project need not show the buildings or the manner in which the buildings or the air space above the property shown on the map are to be divided, nor shall the governing body have the right to refuse approval of a tentative or final map of such a project on account of design or location of buildings on the property shown on



the map not violative of local ordinances or on account of the manner in which air space is to be divided in conveying the condominium. Fees and lot design requirements shall be computed and imposed with respect to such maps on the basis of parcels or lots of the surface of the land shown thereon as included in the project. Nothing herein shall be deemed to limit the power of the governing body to regulate the design or location of buildings in such a project by or pursuant to local ordinances.

AMENDMENT 11

On page 6, line 12, strike out the period and insert:

, and provided further that a parcel map shall not be required for subdivisions created by short-term leases (terminable by either party on not more than thirty days' notice in writing) of a portion of the operating right-of-way of a railroad corporation defined as such by Section 230 of the Public Utilities Code unless a showing is made in individual cases, upon substantial evidence, that public policy necessitates such a parcel map.

AMENDMENT 12

On page 8, line 21, strike out "land" and insert:

real property



AMENDMENT 13

On page 9, line 31, strike out "In" and insert:

Except as otherwise provided in this article, in

AMENDMENT 14

On page 12, line 12, delete "land" and insert:

real property

AMENDMENT 15

On page 12, between lines 17 and 18, insert:

66443.5. The provisions of Sections 66435 and 66436 shall apply to the parcel map.

AMENDMENT 16

On page 12, line 23, strike out "completed prior to" and insert:

recorded concurrently with, or prior to,

AMENDMENT 17

On page 16, line 15, strike out "or any interested person" and in line 16 strike out "adversely affected or aggrieved thereby"



AMENDMENT 18

On page 16, line 25, strike out "public"

AMENDMENT 19

On page 16, strike out lines 27 and 28, and insert:

of filing the appeal. Within

AMENDMENT 20

On page 16, lines 32 and 33, strike out "any such interested person including"

AMENDMENT 21

On page 16, line 39, strike out "public"

AMENDMENT 22

On page 16, line 40, strike out "and" and on page 17, strike out lines 1 and 2, and insert:

. Within 10 days following the



AMENDMENT 23

On page 17, strike out lines 32 through 36, inclusive, and insert:

(d) Any interested person adversely affected thereby may file a complaint with the legislative body concerning any decision of the advisory agency or appeal board. Any such complaint shall be filed with the clerk of the legislative body within 15 days after the action of the advisory agency or appeal board which is the subject of the complaint. Upon the filing of the complaint the legislative body may set the matter for hearing. Such hearing shall be held within 30 days after the filing of the complaint. Such hearing may be a public hearing for which notice shall be given in the time and manner provided.

AMENDMENT 24

On page 17, line 38, strike out ", or such longer" and strike out line 39 and in line 40, strike out "local ordinances,"

AMENDMENT 25

On page 18, line 1, delete the period and insert:

, or after such additional period of time as may be prescribed by local ordinance, not to exceed an additional 12 months.



AMENDMENT 26

On page 21, lines 10 and 11, strike out "any future time," and insert:

a future time as provided in this division

AMENDMENT 27

On page 21, strike out line 17, and on line 18, strike out "accept an offer of dedication," and insert:

66460. (a) The legislative body may reserve the right to accept an offer of dedication of any streets, paths, alleys, drainage and sanitary facilities, easements and rights of way, and

AMENDMENT 28

On page 21, line 36, strike out "reservior" and insert:

reservoir



AMENDMENT 29

On page 23, between lines 16 and 17, insert:

66463.5. When a tentative map is required, the parcel map shall be filed within one year after approval of the tentative map. Upon application, an extension of the approval of the tentative map, not to exceed one year, may be granted by the governing body or advisory agency.

AMENDMENT 30

On page 24, strike out lines 31 through 34, inclusive.

AMENDMENT 31

On page 27, strike out lines 39 and 40, and on page 28, strike out lines 1 through 7, inclusive, and insert:

66474.5. No city or county shall approve a final subdivision map for any land project, as defined in Section 11000.5 of the Business and Professions Code, unless:

(a) The city or county has adopted a specific plan covering the area proposed to be included within the land project.



(b) The city or county finds that the proposed land project, together with the provisions for its design and improvement, is consistent with the specific plan for the area.

This section shall apply to land projects for which tentative maps were approved on or after the effective date of Chapter 763, Statutes of the 1969 Regular Session.

AMENDMENT 32

On page 28, lines 15 and 16, strike out "open-space land as defined in subdivision (d) of Section 65560,".

AMENDMENT 33

On page 29, line 20, strike out the comma and insert a semicolon.

AMENDMENT 34*

On page 29, line 26, strike out ", and" and insert a semicolon.

AMENDMENT 35

On page 31, line 40, strike out ". The" and insert:

; in such event, the



AMENDMENT 36

On page 32, strike out lines 4 through 8, inclusive, and insert:

66480. The public agency for whose benefit an area has been reserved shall at the time of approval of the final map or parcel map enter into a binding agreement to acquire such reserved area within five years after the completion and acceptance of all improvements, unless such period of time is extended by mutual agreement. The purchase price shall

AMENDMENT 37

On page 32, strike out lines 16 through 20, inclusive, and insert:

has been reserved does not enter into such a binding agreement, the reservation of such area shall automatically terminate.

AMENDMENT 38

On page 32, strike out lines 24 through 32, inclusive.



AMENDMENT 39

On page 33, line 2, after "tentative" insert:

map

AMENDMENT 40

On page 33, line 3, after "map" insert:

if no tentative map is required

AMENDMENT 41

On page 35, line 1, strike out "final map"
and insert:

tentative map or parcel map if no tentative map is required

AMENDMENT 42 *

On page 37, lines 25 and 26, strike out "from
the charges collected pursuant to Section 66484".

AMENDMENT 43

On page 43, strike out lines 20 through 28,
inclusive.



AMENDMENT 44

On page 54, strike out lines 28 through 40, inclusive, and on page 55, strike out lines 1 through 5, inclusive, and insert:

66499.32. (a) Any deed of conveyance, sale or contract to sell real property which has been divided, or which has resulted from a division, in violation of the provisions of this division, or of the provisions of local ordinances enacted pursuant to this division, is voidable at the sole option of the grantee, buyer or person contracting to purchase, his heirs, personal representative, or trustee in insolvency or bankruptcy within one year after the date of discovery of the violation of the provisions of this division or of local ordinances enacted pursuant to the provisions of this division, but the deed of conveyance, sale or contract to sell is binding upon any successor in interest of the grantee, buyer or person contracting to purchase, other than those above enumerated, and upon the grantor, vendor, or person contracting to sell, or his assignee, heir or devisee.

(b) Any grantee, or his successor in interest, of real property which has been divided, or which has resulted from a division, in violation of the provisions of this division or of local ordinances enacted pursuant thereto, may, within one year of the date of discovery of such violation, bring an action in the superior court to recover any

damages he has suffered by reason of such division of property. The action may be brought against the person who divided the property in violation of the provisions of this division or of local ordinances enacted pursuant thereto and against any successors in interest who have actual or constructive knowledge of such division of property.

The provisions of this section shall not apply to the conveyance of any parcel of real property identified in a certificate of compliance filed pursuant to Section 66499.35 or identified in a recorded final subdivision map or parcel map, from and after the date of recording.

The provisions of this section shall not limit or affect in any way the rights of a grantee or his successor in interest under any other provision of law.

AMENDMENT 45*

On page 55, strike out lines 17 through 40, inclusive, and insert:

66499.34. No city or county shall issue any permit or grant any approval necessary to develop any real property which has been divided, or which has resulted from a division, in violation of the provisions of this division or of the provisions of local ordinances



enacted pursuant to this division if it finds that development of such real property is contrary to the public health or the public safety. The authority to deny such a permit or such approval shall apply whether the applicant therefor was the owner of the real property at the time of such violation or whether the applicant therefor is the current owner of the real property with, or without, actual or constructive knowledge of the violation at the time of the acquisition of his interest in such real property.

If a city or a county issues a permit or grants approval for the development of any such real property, it may impose such additional conditions as would have been applicable to the division of the property at the time the current owner of record acquired the property.

66499.35. (a) Any person owning real property may request, and a city or a county shall determine, whether such real property complies with the provisions of this division and of local ordinances enacted pursuant thereto. Upon making such a determination the city or the county shall cause a certificate of compliance to be filed for record with the recorder of the county in which the real property is located. The certificate of compliance shall identify the real property and shall state that the division thereof complies with applicable provisions of this division and of local ordinances enacted pursuant thereto. The city or the county may impose a reasonable fee to cover the cost of issuing and recording the certificate of compliance.



(b) If a city or county determines that such real property does not comply with the provisions of this division or of local ordinances enacted pursuant thereto, it may, as a condition to granting a certificate of compliance, impose any of the conditions permitted under Section 66499.34. Such conditions may be fulfilled and implemented by the property owner who has applied for a certificate of compliance pursuant to this section or by a grantee of such property owner. If such conditions are not fulfilled or implemented by the applicant property owner or the grantee, the certificate of compliance shall have no force or effect upon any subsequent transfer of the property and any subsequent transferee or assignee shall make a new application for a certificate of compliance pursuant to this section, and the city or county may impose such conditions as would have been applicable at the time such assignee or transferee acquired the property.

(c) A certificate of compliance shall be issued for any real property which has been approved for development pursuant to Section 66499.34.

(d) A recorded final subdivision map or parcel map shall constitute a certificate of compliance with respect to the parcels of real property described therein.



66499.36. Whenever a city or a county has knowledge that real property has been divided in violation of the provisions of this division or of local ordinances enacted pursuant to this division, it shall cause to be filed for record with the recorder of the county in which the real property is located, a notice of violation, describing the real property in detail, naming the owners thereof, and describing the violation. Such notice, when recorded, shall be deemed to be constructive notice of the violation to all successors in interest in such property. The county recorder shall index the names of the fee owners in the general index.

AMENDMENT 46

On page 56, line 3, strike out "66499.36" and
insert:

66499.37



SENATE BILL NO. 1022

1972 REGULAR SESSION

CHAPTER

898

AUTHOR Deukmejian

DATE RECEIVED 8/7 1972

LAST DAY TO ACT 8/19 1972

ACTION OF GOVERNOR 8/15 1972

ENROLLED BILL MEMORANDUM TO GOVERNOR

DATE August 12, 1972

BILL NO. SB 1022

AUTHOR Deukmejian

Vote—Senate

Ayes— Unanimous
Noes—

Vote—Assembly

Ayes— Unanimous
Noes—

Clarifies the authority of the State Oil and Gas Supervisor and strengthens the role of the Division of Oil and Gas in dealing with environmental problems.

The bill was introduced at the request of the Division of Oil and Gas of the Department of Conservation.

Recommendation

Approve

Legislative Secretary

WVE

49428-401 12-70 USE THIS SIDE

BERNARD CZESLA
CHIEF DEPUTY

J. GOULD
OWEN K. KUNS
RAY H. WHITAKER

KENT L. DECHAMBEAU
ERNEST H. KUNZI
STANLEY M. LOURIMORE
SHERWIN C. MACKENZIE, JR.
EDWARD F. NOWAK
EDWARD K. PURCELL
PRINCIPAL DEPUTIES

ANN M. MACKEY
PRINCIPAL DEPUTY
LOS ANGELES OFFICE

3021 STATE CAPITOL
SACRAMENTO 95814

110 STATE BUILDING
LOS ANGELES 90012

Legislative Counsel of California

GEORGE H. MURPHY

GERALD ROSS ADAMS
DAVID D. ALVES
MARTIN L. ANDERSON
CARL M. ARNOLD
CHARLES C. ASSILL
JAMES L. ASHFORD
JERRY L. BASSETT
EDWARD RICHARD COHEN
JOHN CORZINE
BEN E. DALE
DENNIS W. DE CUIR
CLINTON J. DEWITT
JERALD S. DICK
ROBERT CULLEN DUFFY
LAWRENCE H. FEIN
JOHN FOSSETTE
HARVEY J. FOSTER
ROBERT D. GRONKE
JAMES W. HEINZER
THOMAS R. HEUER
L. DOUGLAS KINNEY
VICTOR KOZIELSKI
JAMES A. MARSALA
EUGENE W. MCCABE
PETER F. MELNICOE
MIRKO A. MILICEVICH
ROSE OLIVER
TRACY O. POWELL, II
MARGUERITE ROTH
MARY SHAW
ARTHUR R. SILEN
ROY K. SIMMONS
RUSSELL L. SPARLING
JOHN T. STUDEBAKER
BRIAN L. WALKUP
THOMAS D. WHELAN
DAVID E. WHITTINGTON
JIMMIE WING
CHRISTOPHER ZIRKLE
DEPUTIES

Sacramento, California
August 8, 1972

Honorable Ronald Reagan
Governor of California
Sacramento, California

Senate Bill No. 1022

Dear Governor Reagan:

Pursuant to your request we have reviewed the above-numbered bill authored by Senator Deukmejian and, in our opinion, the title and form are sufficient and the bill if approved by the Governor will be constitutional. The digest on the printed bill as enrolled correctly reflects the views of this office.

Very truly yours,
George H. Murphy
Legislative Counsel

By *Ray W. Whitaker*
Principal Deputy

Copy to Honorable *George Deukmejian*
pursuant to Joint Rule 34.

AMENDED IN ASSEMBLY JULY 26, 1972

AMENDED IN SENATE MAY 23, 1972

AMENDED IN SENATE MAY 2, 1972

SENATE BILL

No. 1022

Introduced by Senator Deukmejian

March 15, 1972

An act to amend Sections 3008, 3012, 3013, 3101, 3103, 3104, 3106, 3203, 3204, 3205, 3207, 3208, 3215, 3218, 3226, 3227, 3237, and 3356 of, and to add Section 3205.5 to, the Public Resources Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

SB 1022, as amended, Deukmejian. Oil and gas.

Redefines the term "well" for purposes of provisions pertaining to oil and gas.

Requires the chief deputy and district deputies of the Division of Oil and Gas of the Department of Conservation to be a state registered engineer or geologist.

Revises provisions pertaining to the filing of bonds by persons who engage in the drilling, redrilling, or deepening of, or in any operation involving plugging or permanently altering the casing of, any well, including authorizing the filing of a cash bond secured by bank deposits of cash, investment certificates, or share accounts, or by bonds issued by the United States or the state in specified principal amounts.

Prohibits commencement of drilling until the notice of intention to commence drilling is approved by the supervisor or the district deputy and provides for automatic approval or cancellation of such notice of intention under prescribed conditions and revises content of such notice.

Revises provisions pertaining to the abandonment of wells.



Requires the oil or gas well owner's monthly statement to show what disposition was made of the water produced from each well, including designations of injection or disposal wells.

Provides that removal of production equipment or facilities is prima facie evidence of desertion of a well after the elapse of 2 years after April 1, 1973.

Vote—Majority; Appropriation—No.
Fiscal Committee—Yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3008 of the Public Resources
2 Code is amended to read:

3 3008. "Well" means any oil or gas well or well for the
4 discovery of oil or gas, or any well on lands producing or
5 reasonably presumed to contain oil or gas or any well
6 drilled for the purpose of injecting fluids or gas for
7 stimulating oil or gas recovery, repressuring or pressure
8 maintenance of oil or gas reservoirs, or disposing of
9 oilfield waste fluids or any well drilled within or adjacent
10 to an oil or gas pool for the purpose of obtaining water to
11 be used in production stimulation or repressuring
12 operations.

13 SEC. 2. Section 3012 of the Public Resources Code is
14 amended to read:

15 3012. The provisions of this division apply to any land
16 or well situated within the boundaries of an incorporated
17 city in which the drilling of oil wells is now or may
18 hereafter be prohibited, until all wells therein have been
19 abandoned as provided in this chapter.

20 SEC. 3. Section 3013 of the Public Resources Code is
21 amended to read:

22 3013. This division shall be liberally construed to meet
23 its purposes, and the director and the supervisor shall
24 have all powers which may be necessary to carry out the
25 purposes of this chapter division.

26 SEC. 4. Section 3101 of the Public Resources Code is
27 amended to read:

28 3101. The supervisor shall appoint one chief deputy
29 and at least one district deputy for each of the districts

1 provided for in this chapter, and shall prescribe their
2 duties.

3 SEC. 5. Section 3103 of the Public Resources Code is
4 amended to read:

5 3103. The chief deputy shall be a competent engineer
6 or geologist, registered in the state, and experienced in
7 the development and production of oil and gas.

8 SEC. 6. Section 3104 of the Public Resources Code is
9 amended to read:

10 3104. Each district deputy shall be a competent
11 engineer or geologist, registered in the state, and
12 experienced in the development and production of oil
13 and gas. At the time any district deputy is appointed,
14 notice of his appointment shall be transmitted in writing
15 to the board of commissioners of the district for which the
16 deputy is appointed.

17 SEC. 7. Section 3106 of the Public Resources Code is
18 amended to read:

19 3106. The supervisor shall so supervise the drilling,
20 operation, maintenance, and abandonment of wells as to
21 prevent, as far as possible, damage to life, health,
22 property, and natural resources; damage to underground
23 oil and gas deposits from infiltrating water and other
24 causes; loss of oil, gas, or reservoir energy, and damage to
25 underground and surface waters suitable for irrigation or
26 domestic purposes by the infiltration of, or the addition
27 of, detrimental substances, by reason of the drilling,
28 operation, maintenance, or abandonment of wells.

29 The supervisor shall also supervise the drilling,
30 operation, maintenance, and abandonment of wells so as
31 to permit the owners or operators of such wells to utilize
32 all methods and practices known to the oil industry for
33 the purpose of increasing the ultimate recovery of
34 underground hydrocarbons and which, in the opinion of
35 the supervisor, are suitable for such purpose in each
36 proposed case. In order to further the elimination of
37 waste by increasing the recovery of underground
38 hydrocarbons it is hereby declared as a policy of this state
39 that the grant in an oil and gas lease or contract to a lessee
40 or operator of the right or power, in substance, to explore



NO FORMAL ANALYSIS REQUIRED

Form BD-44C (Rev. 3-71 IM)

AGENCY DEPARTMENT OF FINANCE	AUTHOR Deulmejian	BILL NUMBER SB 1022
---------------------------------	----------------------	------------------------

Technical bill--no program or fiscal changes to existing program. No analysis required. No recommendation on signature.

Bill as enrolled no longer within scope of responsibility or program of Department of Finance. No recommendation on signature.

Comments:

No fiscal impact. No added state costs.

Dept. Legislation

RECOMMENDATION

Sign

DEPARTMENT REPRESENTATIVE

DATE

1/14/72

DIRECTOR

[Signature]

DATE

1-14-72

LEGISLATIVE INTENT SERVICE 1970-655 1017

ENROLLED BILL REPORT

AGENCY RESOURCES	BILL NUMBER SB 1022
DEPARTMENT, BOARD OR COMMISSION Conservation	AUTHOR Deukmejian

Subject: Oil and gas wells
Sponsorship: Division of Oil and Gas
Related Bills: None
History: None
Analysis: Specific Findings:

[Clarifies the authority of the State Oil and Gas Supervisor and strengthens the role of the Division of Oil and Gas in dealing with environmental problems such as, redefines well to include injection and disposal wells, requires approval for commencing of drilling or rework operations, adds automatic cancellation clause to notices, extends bond provisions to cover any work done on a well, requires production reports to show disposition of water, makes removal of production facilities and/or equipment evidence of desertion, and includes authorization to file a cash bond in lieu of the drilling bond.

The Division of Oil and Gas, with these changes, should prove to be a more effective organization in dealing with the present-day problems confronting the petroleum industry, particularly in the area of reducing the large number of idle wells within the state, thus enabling the return of the surface area to the landowner. It could then be utilized for higher uses, particularly in the urban areas.

Fiscal Implications:

No increase to the Petroleum and Gas Fund is anticipated.

Final Passage:	<u>Assembly</u>	<u>Senate</u>
	Ayes - 75	Ayes - 25
	Noes - 0	Noes - 0

RECOMMENDATION SIGN

DEPARTMENT HEAD <i>E. Glavin</i>	DATE <i>1-9-72</i>	AGENCY HEAD <i>NW</i> <i>Robert H. Ford</i>	DATE AUG 1 1972
-------------------------------------	-----------------------	--	---------------------------

CALIFORNIA LEGISLATURE

Senate

GEORGE DEUKMEJIAN
(Pronounced Duke-MAY-jia)
THIRTY-SEVENTH SENATORIAL DISTRICT
LOS ANGELES COUNTY

August 11, 1972

Honorable Ronald Reagan
Governor of California
State Capitol
Sacramento, California 95814

Dear Governor Reagan:

Senate Bill 1022 was introduced at the request of the Division of Oil and Gas of the Department of Conservation. The changes which will be enacted by your signing this bill are mainly to clarify the authority of the State Oil and Gas Supervisor and to strengthen the role of the Division of Oil and Gas in dealing with environmental problems.

Throughout the State there are some 17,000 idle oil wells, particularly in the urban areas. Abandonment of nonproductive wells would lead to a return of the land to a higher use and allow it to be taxed at a higher rate. The proposed change would allow the supervisor to order wells of this nature abandoned after a period of nonproducing for two years. The bill also provides that approval of the supervisor must be received by an operator prior to commencing drilling or rework operations and also requires an oil and gas bond for all work performed rather than just for drilling, re-drilling, or deepening operations.

There are also several other minor technical changes. The bill in its present form, I believe, strengthens and updates the code governing the oil and gas industry, particularly the role of the Division of Oil and Gas in dealing with environmental problems.

The bill received the unanimous approval of both houses of the Legislature and I am aware of no opposition to the bill.

I respectfully request that you sign Senate Bill 1022 into law.

Most cordially,

George Deukmejian
George Deukmejian
Senator-37th District

STANDING COMMITTEES
BUSINESS AND PROFESSIONS
CHAIRMAN
GOVERNMENTAL ORGANIZATION
JUDICIARY
REVENUE AND TAXATION

SENATE MEMBER
JOINT LEGISLATIVE AUDIT
COMMITTEE
CALIFORNIA COUNCIL ON
CRIMINAL JUSTICE
CALIFORNIA JOB DEVELOPMENT
CORPORATION LAW
EXECUTIVE BOARD

SENATE SELECT COMMITTEE
SCHOOL DISTRICT FINANCE

ch 898

Governor Ronald Reagan announced today that he has signed the following bills:

- AB 148 - Chappie
Chapter 909 Provides for a state income tax credit of \$8 for a taxpayer who maintains certain students as members of his household for at least six months.
- AB 254 - Townsend
Chapter 883 Authorizes destruction of hypodermic syringes and needles by grinding and disposal in sewerage systems and authorizes disposal of recognizable anatomical parts, infectious wastes, human tissues, or anatomical human remains following conclusion of scientific use by interment, incineration, or any other method determined by the State Department of Public Health to protect the public health. The bill permits furnishing and obtaining of hypodermic syringes or hypodermic needles, for use which the State Board of Pharmacy determines are industrial, without restriction.
- AB 281 - Bagley
Chapter 910 Amends provisions relating to the livestock in-lieu tax claims for the business inventory exemption, the senior citizens' property tax assistance statements printed on tax bills and included with the homeowners exemption claim-forms, and one-bank holding companies.
- AB 349 - Burton
Chapter 911 Provides that a contracting agency which is a city and county shall be subject to the Meyers-Geddes State Employees Medical and Hospital Care Act only with respect to employees who upon entering city and county employment from state employment had an option under state statutes to continue enrollment under the Act.
- AB 392 - Z'berg
Chapter 912 Provides for submission to the voters at the 1974 direct primary election of the "State Beach, Park, Recreational and Historical Facilities Bond Act of 1974," which would authorize issuance of general obligation bonds in the amount of \$250 million to provide funds to acquire and establish beaches, parks, recreational, and historical resources.
- AB 424 - Thomas
Chapter 875 Authorizes the State Athletic Commission to license described gymnasias used for training purposes by professional boxers. The bill prohibits sparring for training purposes between a licensed professional boxer and a person not also so licensed or holding a permit as a training sparrer.
- AB 529 - Ryan
Chapter 876 Provides that, in the computation of a non-resident tuition fee in the California community colleges, the base shall be the cost of the individual district involved rather than the cost of all the community colleges at the state-wide level.



AB 550 - Chappie
Chapter 913

Provides that a portion of the funds totaling nearly \$10 million loaned to the North Tahoe, South Tahoe, and Tahoe City Public Utility Districts and the Truckee Sanitary District for the construction of sewage and storm drainage facilities, which would have been received in the form of a grant under the Clean Water Bond Law of 1970, not to exceed the amount required as a state contribution in the event of receipt of federal reimbursements, need not be repaid to the state but shall be considered for all purposes grants to said districts. The bill requires federal funds received as grants be deposited in the State Water Quality Control Fund for reimbursement of construction funds loaned from the fund.

AB 595 - Meade
Chapter 877

Extends the sales and use tax exemption for "medicines" to include artificial limbs or their replacement parts. The bill exempts from sales and use taxes meals and food products furnished or served to low-income elderly persons at or below cost by a nonprofit organization or governmental agency under a program funded by the state or federal government.

AB 655 - Ryan
Chapter 914

Changes the basis for computing charges to school districts that have students attending classes in another district.

AB 674 - Brathwaite
Chapter 915

Provides that hiring and promotional practices of the state, cities, and counties shall conform to the Civil Rights Act of 1964.

AB 746 - Monagan
Chapter 916

Makes it a misdemeanor for any prisoner confined in a local detention facility to maliciously start an unauthorized fire.

AB 960 - Bee
Chapter 878

Grants authority to the Los Angeles Community College District to complete the merger of its local retirement system with the State Teachers' Retirement System. It prescribes the effect of the merger upon the benefits of members, and upon the disposition of the funds and assets. It also prescribes the method of transfer of assets.

AB 1202 - McCarthy
Chapter 918

Implements the federal Nutrition Program for the Elderly. The bill creates the Office of Special Services within the Health and Welfare Agency.

AB 1497 - Duffy
Chapter 919

Provides for terms of office for members of the Council on Continuing Education for the Health Occupations. The bill adds one additional registered nurse and one additional licensed vocational nurse member to the council. The bill further provides that continuing education standards and alternatives shall be established by the council by January 1, 1975, and be renewed every two years.

AB 1571 - Waxman
Chapter 920

Adds Assembly Constitutional Amendment No. 42 and Senate Constitutional Amendment No. 70 to the November ballot.

AB 1611 - Belotti
Chapter 921

Authorizes the state to convey to the County of Mendocino all or any part of the Mendocino State Hospital property.

AB 1779 - Miller
Chapter 879

Authorizes governing boards of community college districts to employ temporary and substitute employees according to current provisions of law.



- AB 1841 - Maddy
Chapter 880
Makes any covenants, conditions or restrictions existing on property acquired by a redevelopment agency void and unenforceable against the redevelopment agency and against any subsequent owners or tenants unless the redevelopment agency expressly in writing agrees to be bound by the covenants, conditions or restrictions.
- AB 1859 - Lanterman
Chapter 922
Extends the termination date of the Department of Education's pilot program for mentally disordered minors from June 30, 1972, to June 30, 1973, and extends the deadline for evaluation report on such pilot program from September 1, 1972, to September 1, 1973.
- AB 1871 - Lanterman
Chapter 923
Requires the Department of Mental Hygiene to notify the counties and the legislature at least nine months in advance of any planned closures and that the detail of any such closure be set forth in the governor's budget. The bill further requires the department and the counties to jointly plan for absorbing as many state employees as possible; permits a state employee transferred to a county program to return his sick leave benefits in reserve account for up to five years to be used only when county benefits are exhausted; permits the counties to establish retraining programs for transferred employees and appropriates \$200,000 to fund such programs.
- AB 1951 - Biddle
Chapter 924
Extends provisions for county support and maintenance to minors temporarily placed out of their home by the probation department while under a department program of supervision.
- AB 1970 - McAlister
Chapter 881
Revises the Vehicle Code provisions prohibiting riding on any vehicle or portion thereof not designed or intended for the use of passengers and prohibiting any person while driving a motor vehicle to knowingly permit any person to so ride. The bill also recasts and revises the Vehicle Code provisions prohibiting any person under the age of 21 years from knowingly possessing, transporting, or having under his control, any alcoholic beverage in any motor vehicle.
- AB 1975 - Karabian
Chapter 925
Provides that the mandatory retirement age of a court commissioner of a superior court and a traffic referee of a municipal court under the County Employees' Retirement Law in Los Angeles County shall be 70.
- AB 2053 - Chappie
Chapter 926
Authorizes county waterworks districts to collect rates or charges for the use and supply of water in lieu of or supplemental to revenues obtained by taxation. The districts would be permitted to collect charges for services rendered in the current or immediately preceding year as part of the general county tax bill.
- AB 2132 - Dunlap
Chapter 882
Extends the period from one year to three years in which dedication of certain ^{public} access routes to the coast and shorelines must be accepted by a city or county after approval of a subdivision map or be deemed abandoned.
- AB 2133 - Dunlap
Chapter 927
Prohibits the approval of any mobilehome parks not subject to the Subdivision Map Act and fronting on bodies of water owned by a public agency unless "reasonable" public access is provided.



- SB 15 - Burgener
Chapter 884 Allows dependent children of California servicemen who are prisoners of war or missing in action to be eligible for certain benefits regarding tuition assistance; and allows such dependents to receive other specified governmental assistance.
- SB 147 - Mills
Chapter 885 Provides that local authorities may adopt ordinances and resolutions requiring the licensing and registration of bicycles. Prohibits the operation of an unlicensed bicycle on a highway or on public property in jurisdictions requiring such licensing. The bill requires the Department of Justice to maintain records relative to lost and stolen bicycles.
- SB 160 - Way
Chapter 886 Authorizes those counties which do not have a juvenile home, ranch or camp to use state probation subventions to pay for such placement in other counties.
- SB 212 - Grunsky
Chapter 868 Authorizes the Board of Governors of the California Community Colleges to approve of advance apportionments from the State School Fund to meet costs of preliminary plans for construction in a district when it has been shown that the district has no uncommitted funds available for such use and any delay in development of preliminary plans will delay construction and placing of an application for state support for construction.
- SB 285 - Marks
Chapter 869 Continues the pilot project jointly undertaken by the Department of Finance, Fullerton State University, and the Trustees of the California State University and Colleges to implement a program, planning budgeting system at one selected campus.
- SB 349 - Wedworth
Chapter 529 Makes it a misdemeanor for a person, without written permission of the owner or operator of the property on which the entertainment event is to be or is being held, to sell admission tickets to any entertainment event, which were obtained for purpose of resale, at any price which is in excess of the price that is printed or endorsed upon the ticket, while on the grounds of or in the stadium, arena, theater, or other place where an event for which the admission tickets are sold is to be or is being held.
- SB 400 - Grunsky
Chapter 887 Establishes details and procedures for killing of cats and dogs by humane society officers, or officers of a pound or animal regulation department.
- SB 402 - Deukmejian
Chapter 888 Extends psychotherapist privilege to licensed marriage, family and child counselors, except in criminal proceeding.
- SB 403 - Deukmejian
Chapter 889 Revises the education and experience requirements for a marriage, family, or child counselor license.
- SB 457 - Lagomarsino
Chapter 890 Permits the board of supervisors to increase court fees for support of county law libraries from \$5 to \$7 if the board determines the increase is necessary to defray expense of the library.



- SB 621 - Beilenson
Chapter 891 Provides that provisions of law relating to clinical laboratories shall not apply to a laboratory owned and operated by nonprofit corporation or association contracting with or employing individual physicians and surgeons to render medical care and directly funded at least 80% by the U.S. Government, for laboratory work performed on patients of such physicians and surgeons and under their supervision.
- SB 628 - Roberti
Chapter 892 Appropriates \$500,000 to the Workmen's Compensation Appeals Board to allow the Board to employ specified additional personnel not provided for in the Budget Act of 1972.
- SB 636 - Dills
Chapter 870 Requires an applicant for a license to operate a school of cosmetology to present to the State Board of Cosmetology evidence that at least 25 persons are enrolled as bona fide, full-time students. The bill also requires the board to admit to the cosmetology instructor's examination applicants who had completed certain teacher training or practical experience requirements prior to the effective date of certain amendments made in the law in 1971 and who comply with other requirements.
- SB 641 - Dills
Chapter 871 Prohibits, with specified exceptions, any person from taking a sentry dog or a tracker or attack dog into, or keeping a sentry dog or a tracker or attack dog in, any portion of any business establishment which is open to the public unless the dog is accompanied or kept by a dog handler. The bill also prohibits, with specified exceptions, any person from keeping such dogs in any business establishment or any other place open to the general public at any time unless there is posted at every entrance a sign to warn persons that such a dog is used at such business establishment.
- SB 648 - Lagomarsino
Chapter 893 Authorizes the impanelment of one additional grand jury in Ventura County.
- SB 777 - Song
Chapter 894 Authorizes the formation of nonprofit corporations for the purpose of administering systems of defraying the cost of professional services of attorneys.
- SB 782 - Mills
Chapter 872 Authorizes the county superintendent of schools and the governing boards of community college districts in counties with population of less than 75,000 to contract, with the approval of the Superintendent of Public Instruction, for education of community college students in regional occupational programs operated by county superintendents of schools.
- SB 848 - Bradley
Chapter 895 Revises the permissible minimum standard for valuation of certain individual and group annuity and pure endowment contracts.
- SB 947 - Moscone
Chapter 896 Authorizes the presiding judge of the Superior Court in the City and County of San Francisco to impanel an additional grand jury to serve for a period of one year or less. Once impaneled, the additional grand jury can function as a regular grand jury, but will have the sole jurisdiction to return indictments, except for matters which the regular grand jury, is inquiring into at the time of its impanelment. Members of the additional grand jury may be selected at random from the list of trial jurors in civil and criminal cases. -5-



- SB 933 - Roberti Chapter 897 Provides that the juvenile court may dismiss, without prejudice, any unverified petition to commence proceedings declaring a minor a ward or a dependent child of the court.
- SB 1022-Deukmejian Chapter 898 Clarifies the authority of the State Oil and Gas Supervisor and strengthens the role of the Division of Oil and Gas in dealing with environmental problems.
- SB 1080 - Carpenter Chapter 873 Provides when any school district is created through reorganization that such reorganization shall be effective for the purpose of authorizing the sale of bonds on the date the action is completed.
- SB 1157 - Marks Chapter 874 Modifies provisions of the workmen's compensation law penalizing an employer for discharging or in any manner discriminating against employee for described benefits received or actions taken by employee. The bill makes comparable penalties applicable to workmen's compensation insurance carriers who advise, direct, or threaten an insured in order to have an employee discharged for taking described action.
- SB 1185 - Holmdahl Chapter 899 Extends the \$10,000 property tax exemption to other classes of severely disabled veterans if the voters approve Senate Constitutional Amendment No. 59 at the November Election.
- SB 1229-Deukmejian Chapter 900 Authorizes, in the case of a first conviction of driving a motor vehicle upon a highway while under the influence of intoxicating liquor, any judge of a court to order a presentence investigation to determine whether a person convicted of such offense would benefit from treatment for persons who are habitual users of alcohol. It would require the court, in the case of a second or subsequent such conviction, to order a presentence investigation.
- SB 1277 - Short Chapter 901 Amends the Nursing Practice Act to permit an applicant who fails the Board's licensing examination to take a second examination without additional fee in the subjects in which he failed if not more than 12 months have elapsed since the first examination.
- SB 1324-Lagomarsino Chapter 902 Requires the Council on Intergovernmental Relations to adopt criteria and guidelines for the preparation and content of city and county general plans.
- SB 1349-Deukmejian Chapter 903 Establishes criteria and procedures to govern the denial of all licenses issued under the Business and Professions Code on the ground that the applicant lacks good character and to govern the suspension or revocation of such licenses on the ground that the licensee has been convicted of a crime.
- SB 1407 - Stiern Chapter 904 Provides for submission of Senate Constitutional Amendment No. 70 to voters at the November general election.
- SB 1412 - Holmdahl Chapter 905 Provides that money or other property received by the husband, as well as the wife, in satisfaction of a judgment for damages for personal injuries or in settlement or compromise thereof, is separate property if received while living separate from spouse.
- SB 1420 - Roberti Revises provisions relating to juvenile detention hearings by increasing the notice requirements in specified situations.



SUMMARY DIGEST

of

Statutes Enacted and Resolutions Adopted

Including Proposed Constitutional Amendments

and

1969–1972 Statutory Record



CALIFORNIA LEGISLATURE

1972 Regular Session

DARRYL R. WHITE
Secretary of the Senate

JAMES D. DRISCOLL
Chief Clerk of the Assembly

Compiled by
GEORGE H. MURPHY
Legislative Counsel



Ch 891 (SB 621) Beilenson. Clinical laboratories: exceptions

Provides that provisions of law relating to clinical laboratories shall not apply to such a laboratory owned and operated by nonprofit corporation or association contracting with or employing individual physicians and surgeons to render medical care and directly funded at least 80% by U.S. Government, for laboratory work performed on patients of such physicians and surgeons and under their supervision

States that if direct or indirect reference work is performed, provisions shall apply

Makes additional changes in Sec 1241, Business and Professions Code, proposed by AB 2214 to be operative only if AB 2214 and this bill are both chaptered, and this bill is chaptered after AB 2214

Ch. 892 (SB 628) Roberti Workmen's compensation

Appropriates \$500,000 to Workmen's Compensation Appeals Board to allow board to employ specified additional personnel not provided for in Budget Act of 1972.

Ch 893 (SB 648) Lagomarsino Grand juries.

Authorizes impanelment of one additional grand jury in Ventura County and provides for jurisdiction and term thereof

Effective only until January 1, 1976

Ch 894 (SB 777) Song. Prepaid legal services.

Authorizes formation of nonprofit corporations under the General Nonprofit Corporation Law for the purpose of administering a system or systems of defraying the cost of the professional services of attorneys, prohibits the corporation from performing its purposes unless specified requirements are met, and specifies the intent of the Legislature that nothing in the provisions shall be construed to prohibit formation and conduct of specified arrangements organized as unincorporated associations or pursuant to General Nonprofit Corporation Law without compliance with such requirements under specified conditions

To take effect immediately, urgency statute

Ch. 895 (SB 848) Bradley. Life insurance: standard valuation

Revises the permissible minimum standard for valuation of certain individual and group annuity and pure endowment contracts. Authorizes insurers to comply with act prior to January 1, 1979, and requires insurers to comply with act on and after January 1, 1979

To take effect immediately, urgency statute.

Ch 896 (SB 947) Moscone Grand juries.

Permits one additional grand jury to be impaneled in any city and county, such additional grand jury to be selected at random from list of trial jurors in civil and criminal cases. Provides that when such additional grand jury is impaneled, in inquiring into matters subject to grand jury inquiry, it shall have sole and exclusive jurisdiction to return indictments except for matters already the subject of inquiry by regular ~~or specified additional~~ * grand jury.

Ch. 897 (SB 983) Roberti Juvenile court

Provides a petition that is not verified which is filed in juvenile court to commence proceedings pursuant to juvenile court law may be dismissed without prejudice by the court.

→ Ch. 898 (SB 1022) Deukmejian Oil and gas.

Redefines the term "well" for purposes of provisions pertaining to oil and gas
Requires the chief deputy and district deputies of the Division of Oil and Gas of the Department of Conservation to be a state registered engineer or geologist

Revises provisions pertaining to the filing of bonds by persons who engage in the drilling, redrilling, or deepening of, or in any operation involving plugging or permanently altering the casing of, any well, including authorizing the filing of a cash bond secured by bank deposits of cash, investment certificates, or share accounts, or by bonds issued by the United States or the state in specified principal amounts

Prohibits commencement of drilling until the notice of intention to commence drill-



ing is approved by the supervisor or the district deputy and provides for automatic approval or cancellation of such notice of intention under prescribed conditions and revises content of such notice.

Revises provisions pertaining to the abandonment of wells

Requires the oil or gas well owner's monthly statement to show what disposition was made of the water produced from each well, including designations of injection or disposal wells.

Provides that removal of production equipment or facilities is prima facie evidence of desertion of a well after the lapse of 2 years after April 1, 1973.

Ch. 899 (SB 1185) Holmdahl Disabled veterans' exemption.

Exempts from property taxation the home, up to a maximum of \$10,000 of assessed valuation, of any resident veteran who by reason of a total service-connected disability suffered the loss of sight in both eyes and the loss or loss of use of one upper or lower extremity, or the loss or loss of use of both one lower and one upper extremity, or the loss or loss of use of both arms.

Operative only if SCA 59 of the 1972 Regular Session is adopted by the voters.

Places SCA 59 on the November 1972 general election ballot

To take effect immediately, urgency statute

Ch. 900 (SB 1229) Deukmejian. Vehicles: driving under influence

Specifically authorizes, in the case of a first conviction of driving a motor vehicle upon a highway while under the influence of intoxicating liquor, any judge of a court to order a presentence investigation to determine whether a person convicted of such offense would benefit from treatment for persons who are habitual users of alcohol. Requires the court, in the case of a second or subsequent such conviction, to order such a presentence investigation.

Authorizes the court to order such treatment in either case, in addition to imposing any penalties required by the Vehicle Code.

Ch 901 (SB 1277) Short Nurses.

Revises provisions in Nursing Practice Act permitting reexamination of person who fails to pass the examination for licensure.

Ch. 902 (SB 1324) Lagomarsino Local plans

Requires Council on Intergovernmental Relations to adopt criteria and guidelines for preparation and content of city and county general plans. Requires cities and counties, beginning Oct. 1, 1974, to indicate degree of compliance in annual report to the council. Requires adoption of seismic safety element, noise element, safety element, and scenic highway element no later than one year following adoption of guidelines.

Ch 903 (SB 1349) Deukmejian Licenses: denial, suspension, revocation

Establishes standard of good moral character to be applied by specified licensing boards under regulation of Business and Professions Code in determination whether to deny license on ground of lack of good moral character. Prohibits requirement of attestation to applicant's character by other persons except as specified. Makes provision for administrative hearing in cases of denial on specified grounds. Requires establishment of criteria by licensing boards to evaluate rehabilitation of persons so denied licensure, and disclosure of requirements for rehabilitation.

Establishes standard for suspension or revocation of licenses on ground of conviction of crime, requires licensing boards to develop criteria for evaluation of rehabilitation in such cases, and requires disclosure of requirements for rehabilitation, as specified, in cases of revocation.

Ch 904 (SB 1407) Stiern. Ballot proposition

Provides for submission of Senate Constitutional Amendment No 70 of the 1972 Regular Session of the Legislature to voters at the general election to be held November 7, 1972, if such measure is adopted by Legislature prior to August 5, 1972.

To take effect immediately, urgency statute



STATE OF CALIFORNIA
Supreme Court of California

PROOF OF SERVICE

STATE OF CALIFORNIA
Supreme Court of California

Case Name: **CHEVRON U.S.A. v. COUNTY OF MONTEREY (PROTECT MONTEREY COUNTY)**

Case Number: **S271869**

Lower Court Case Number: **H045791**

1. At the time of service I was at least 18 years of age and not a party to this legal action.
2. My email address used to e-serve: **bundy@smwlaw.com**
3. I served by email a copy of the following document(s) indicated below:

Title(s) of papers e-served:

Filing Type	Document Title
BRIEF	FINAL 2022.03.28 Intervenors_ Opening Brief FINAL AS FILED
REQUEST FOR JUDICIAL NOTICE	Volume 1
REQUEST FOR JUDICIAL NOTICE	Volume 2
REQUEST FOR JUDICIAL NOTICE	Volume 3
REQUEST FOR JUDICIAL NOTICE	Volume 4
REQUEST FOR JUDICIAL NOTICE	Volume 5
REQUEST FOR JUDICIAL NOTICE	Volume 6
REQUEST FOR JUDICIAL NOTICE	Volume 7
PROOF OF SERVICE	FINAL 2022.03.28 - POS RJN Vol. 1-7

Service Recipients:

Person Served	Email Address	Type	Date / Time
Sean Hecht Frank G. Wells Environmental Law Clinic 181502	hecht@law.ucla.edu	e-Serve	3/28/2022 7:51:54 PM
Theodore Boutrous Gibson Dunn & Crutcher LLP 132099	tboutrous@gibsondunn.com	e-Serve	3/28/2022 7:51:54 PM
Jeffrey Dintzer Alston & Bird LLP 139056	jeffrey.dintzer@alston.com	e-Serve	3/28/2022 7:51:54 PM
Dione Garlick Gibson, Dunn & Crutcher 293012	dgarlick@gibsondunn.com	e-Serve	3/28/2022 7:51:54 PM
Andrew Bassak Hanson Bridgett LLP 162440	abassak@hansonbridgett.com	e-Serve	3/28/2022 7:51:54 PM
Donald Oldaker Clifford and Brown 166230	doldaker@clifford-brownlaw.com	e-Serve	3/28/2022 7:51:54 PM
Kevin Bundy	bundy@smwlaw.com	e-	3/28/2022

Shute, Mihaly & Weinberger LLP 231686		Serve	7:51:54 PM
Leslie Girard Monterey County Counsel	girardlj@co.monterey.ca.us	e-Serve	3/28/2022 7:51:54 PM
Gene Tanaka Best Best & Krieger LLP 101423	gene.tanaka@bbklaw.com	e-Serve	3/28/2022 7:51:54 PM
Todd Smith Ragghianti Freitas LLP	tsmith@rflawllp.com	e-Serve	3/28/2022 7:51:54 PM
Deborah Sivas Mills Legal Clinic at Stanford Law School 135446	dsivas@stanford.edu	e-Serve	3/28/2022 7:51:54 PM
Michael Geibelson Robins Kaplan LLP 179970	mgeibelson@robinskaplan.com	e-Serve	3/28/2022 7:51:54 PM
Hollin Kretzmann Center For Biological Diversity 290054	hkretzmann@biologicaldiversity.org	e-Serve	3/28/2022 7:51:54 PM
Jacqueline Zischke Attorney at Law 171670	jzischkelaw@charter.net	e-Serve	3/28/2022 7:51:54 PM
Jason Retterer JRG Attorneys at Law 194651	jason@jrgattorneys.com	e-Serve	3/28/2022 7:51:54 PM
Edward Renwick Hanna and Morton LLP 29325	erenwick@hanmor.com	e-Serve	3/28/2022 7:51:54 PM
Barton Thompson Attorney at Law 72927	bthompson@omm.com	e-Serve	3/28/2022 7:51:54 PM
Alison Hahm Communities for a Better Environment 336969	ahahm@cbeval.org	e-Serve	3/28/2022 7:51:54 PM
Julia Forgie NRDC 304701	jforgie@nrdc.org	e-Serve	3/28/2022 7:51:54 PM
Elizabeth Vissers Office of the County County, County of Santa Clara 321365	elizabeth.vissers@cco.sccgov.org	e-Serve	3/28/2022 7:51:54 PM
Matthew Kline O'Melveny & Myers LLP 211640	mkline@omm.com	e-Serve	3/28/2022 7:51:54 PM
Matthew C. Wickersham 241733	matt.wickersham@alston.com	e-Serve	3/28/2022 7:51:54 PM
Dana L. Craig	dcraig@gibsondunn.com	e-Serve	3/28/2022 7:51:54 PM
Christopher A. Rheinheimer 253890	crheinheimer@hansonbridgett.com	e-Serve	3/28/2022 7:51:54 PM

Heather A. Welles 302256	hwelles@omm.com	e-Serve	3/28/2022 7:51:54 PM
Dimitri D. Portnoi 282871	dportnoi@omm.com	e-Serve	3/28/2022 7:51:54 PM
Glenn Danas 270317	gdanas@robinskaplan.com	e-Serve	3/28/2022 7:51:54 PM
David Balch 226519	david@jrgattorneys.com	e-Serve	3/28/2022 7:51:54 PM
Daniel Ress	dress@crpe-ej.org	e-Serve	3/28/2022 7:51:54 PM
Damon Nagami	dnagami@nrdc.org	e-Serve	3/28/2022 7:51:54 PM

This proof of service was automatically created, submitted and signed on my behalf through my agreements with TrueFiling and its contents are true to the best of my information, knowledge, and belief.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

3/28/2022

Date

/s/Kevin Bundy

Signature

Bundy, Kevin (231686)

Last Name, First Name (PNum)

Shute, Mihaly & Weinberger LLP

Law Firm